



**SYDNEY OPERA HOUSE** 

**LIVING PLACE** FOR THE  
**WORLD**

SYDNEY OPERA HOUSE TRUST ANNUAL REPORT 2006-07



## CONTENTS

Who We Are	1
Key Dates	1
Highlights 2006/07	2
Chairman's Message	4
CEO's Message	6
Vision and Goals	8
Key Outcomes 2006/07 and Objectives 2007/08	9
Performing Arts	10
Music	12
Theatre	14
Opera	16
Dance	18
Young Audiences & Education	20
Broadening the Experience	22
Building and Environment	24
Corporate Governance	26
The Trust	28
The Executive Team	30
People and Culture	32
Financials	34
Financial Statements	36
Government Reporting	54
Performance List	64
Strategic Plan 2003/08	67
Index	68
Sponsors	69
Annual Giving Program	70
Contact Information	72
Location Map	Inside Back Cover

### Cover:

Officially recognised as a global cultural icon, Sydney Opera House welcomes everyone through live performance every day.

The Hon. Frank Sartor, MP  
Minister for Planning, Minister for Redfern Waterloo  
and Minister for the Arts

Sir, we have the pleasure of presenting the Annual Report of the Sydney Opera House for the year ended 30 June 2007, for presentation to Parliament. This report has been prepared in accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

Kim Williams AM  
Chairman

Sue Nattrass AO  
Interim Chief Executive

## Who We Are

Sydney Opera House is a global landmark, part of our nation's DNA and provides a central element of the emotional heart of the city of Sydney. The focal point of our magnificent harbour, it is a place of excitement and of warmth, of welcome and wonder, where art and architecture uniquely combine to enchant and enliven artists, audiences and visitors.

As one of the busiest performing arts centres in the world, Sydney Opera House provides over 1,500 performances each year. With seven primary venues: the Concert Hall, Opera Theatre, Drama Theatre, Playhouse, The Studio, Forecourt and Utzon Room, 'the House' offers audiences an opportunity to experience the best from every performing art form.

The experience is broadened with a 'must-visit' harbour-side precinct that offers dining, shopping and entertainment opportunities.

One of the most popular visitor attractions in Australia, Sydney Opera House sees more than 4 million people visiting the site each year. Some 1.2 million people attend performances and over 328,000 people take a guided tour to explore the magic inside of one of the most recognised buildings in the world. Sydney Opera House is State, National and World Heritage listed.

As a performing arts centre, Sydney Opera House promotes and supports many performing arts companies, including the four key presenting partners: Sydney Symphony, Opera Australia, Sydney Theatre Company and The Australian Ballet as well as many other important Australian companies and artists.

Sydney Opera House also has increased the profile and reach of its own programs, with more than 700 performances this year offering an eclectic mix of artistic and cultural activities for all ages from the educational through to the experimental.



## Key Dates

- 1957 Jørn Utzon wins Sydney Opera House design competition (January)
- 1959 Work begins on Stage 1 – building the foundations despite Utzon's protest that plans were not finalised (March)
- 1966 Jørn Utzon resigns (February)
- 1973 First guided tours of Sydney Opera House (July)
- 1973 First performance in Sydney Opera House – Australian Opera performed Prokofiev's War and Peace in the Opera Theatre (September)
- 1973 Opening Ceremony and Royal Concert with Queen Elizabeth II and the Duke of Edinburgh (October 20)
- 1979 Concert Hall Grand Organ completed (May)
- 1999 Opening of The Studio – new venue for contemporary performing arts (March)
- 1999 Jørn Utzon is re-engaged and appointed design consultant to the Sydney Opera House (August)
- 2000 Sydney Opera House Producers Unit established (October)
- 2002 Sydney Opera House Utzon Design Principles published (May)
- 2003 Sydney Opera House Conservation Plan published (June)
- 2003 State Heritage Listing achieved (December)
- 2004 Backstage Tour launched (April)
- 2004 Utzon Room opened – first venue at Sydney Opera House designed by Jørn Utzon (September)
- 2004 Recording Studio opened (October)
- 2005 National Heritage Listing achieved (July)
- 2006 Asian Language Tour launched in Japanese, Korean, Mandarin (January)
- 2006 Colonnade opened by HM Queen Elizabeth II – designed by Jørn Utzon, it is the first change to the exterior of the building since its completion in 1973 (March)
- 2007 World Heritage Listing achieved (June)

# HIGHLIGHTS 2006/07



Jørn Utzon. Photo Jozef Vissel courtesy Josef Lebovic Gallery

Officially acknowledging our unique place in the world, UNESCO announced Sydney Opera House's World Heritage Listing on 28th June 2007, the youngest cultural site ever to be included. The listing came 18 months after nomination, 33 years after our official opening and 50 years after Jørn Utzon was announced as winner of the design competition. (Refer page 25)



Meeting our commitment to *Live Performance Every Day*, live broadcasts, anniversary celebrations, world premieres, prize-winning programs, new artists and new audiences were encompassed in this year's performance fare. Sydney Symphony, Opera Australia, The Australian Ballet, Sydney Theatre Company and Sydney Opera House all contributed to an increase of 7% in the total audience for the year to 1,212,270. (Refer page 10)

Successfully expanding our own programs to encompass greater diversity and use of performance venues, Sydney Opera House presentations achieved a 68% increase in audiences (to 313,727). Sydney Opera House tours also broadened their offering and grew tour attendances by 21% (to 328,224). (Refer page 11 and 23)

Redefining how we want to be perceived in the world, we undertook a broad review of our brand, engaging Trustees, staff, presenters and other key stakeholders in the process and crystallising its essence as *Live Performance Every Day*. In March 2007, we launched an extensive program of engagement to translate the brand essence into every element of performance and visitor experience and to embed it into every aspect of our culture. (Refer page 55)

Commencing major improvements to accessibility, work began on the \$38 million Western Foyers Project this year with completion due in 2009. Realising the vision of Jørn Utzon, the project will complement the exterior colonnade opened by HM Queen Elizabeth II in March 2006. In addition to a completely refurbished foyer, a 40-person lift will link to the Western Theatres and new escalators will provide access from the Box Office to the Southern Foyers. (Refer page 25)

Demonstrating that our new safety initiatives are working, lost time through injuries fell to 4.21 hours per thousand, down from 9.25 in 2005/6 and Workers Compensation cases fell to 27, down from 57 in 2005/6. These substantial ongoing improvements are a direct result of initiatives introduced in collaboration with our business partners. (Refer page 33)

Designed to enrich Australia's cultural future at its most important venue, our Annual Giving Program was successfully launched in March 2007. The fund is to support performance, access and education initiatives, including bringing artists to the stage and young or disadvantaged people to the performing arts. 288 people donated a total of \$473,746 and \$617,870 has been pledged. A further \$1m has been pledged for capital projects. (Refer page 70)

# CHAIRMAN'S MESSAGE



## Financial and Operating Performance

I am pleased to report that Sydney Opera House has had another solid year of performance with operating revenues growing by 31%, an increase of \$13.5m (refer page 34) for more information. There were also a number of important milestones during the year in the delivery of the range of public experiences on the site. In spite of a number of challenges in the operating circumstances of the building, financially our operations were sound.

Total performing arts activities saw an increase of 7% in audiences over the year (to 1,212,270 patrons). A number of outstanding Australian and international artists and new collaborations provided meaningful experiences for new and existing audiences. Central to that achievement were the innovative and diverse programs offered by our major presenting partners, Sydney Symphony, Opera Australia, Sydney Theatre Company and The Australian Ballet.

Sydney Opera House's own programs achieved a 68% growth in audience numbers (313,727 patrons), the highlight of which was the premier Australian visit by the *Vienna Philharmonic* who performed four sold-out concerts in the Concert Hall including a free live broadcast on the Forecourt.

The second year of the ambitious ten-year Tourism Program, aimed at enhancing the visitor experience, saw Guided Tour patronage grow by 21% to 328,224 people and revenue grow by 24% to over \$6.7m.

On 28 June 2007 Sydney Opera House was included on the UNESCO World Heritage List as 'a masterpiece of human creative genius'. It was and is a fitting tribute to the genius of Jørn Utzon and to those who engineered and built this remarkable building. We have been fortunate in the renewed association with Jørn Utzon over many years and to have his work actively reflected in the Accessibility and Western Foyers Project the current and third project since his 1999 re-engagement. This will transform the Western Foyer and will greatly improve accessibility and services for visitors by connecting various areas of the site through lifts and escalators. Work commenced in January 2007 with completion due in 2009.

## Future Outlook

The focus next year will continue to be on initiatives to improve the customer experience, including the practical implementation of our brand essence *Live Performance Every Day* as the foundation of the enterprise's culture. A wide variety of programs will be presented during the 2007/8 year reflecting the Artistic Vision of Sydney Opera House.

A new tour experience 'The Essential Tour', with extensive audio/visual elements will be launched. Other commercial areas of the business will also grow (tourism, retail, food and beverage, ticketing), providing a diversity of products and revenues that are central not

only to financial viability but also in providing enriching experiences such as the Public Program of community events in 2007/8.

The Annual Giving Program, launched in March 2007, represents another key focus for the future. This Program enables Sydney Opera House to underpin a wide variety of programs and ensure that what is presented on our stages and spaces is of fitting character for a World Heritage listed international performing arts centre.

Work continues in the major venue improvement program of which the current Accessibility and Western Foyers Project is part. The Trust remains hopeful that clarity in the path forward will be achieved over the next 12 months, giving confidence in the ability to secure the grander project for major venue renewal in the medium term.

## Board and Executive Changes

Three new Trustees commenced this year to replace the three vacancies previously reported in the last annual report. Sue Nattrass AO and Evan Williams AM commenced as Trustees on 15 November 2006 and Wesley Enoch commenced on 1 January 2007. All have extensive arts experience and will be key contributors to the Trust: Sue Nattrass has had a distinguished career in the arts for some 45 years; Evan Williams was head of the NSW Government's cultural sector for 25 years and Wesley Enoch is a distinguished playwright and director. Existing Trustees John Ballard and Barbara Ward were re-appointed from 1 January 2007 for further three-year terms. They both bring great skill and commitment to the Trust.

In the Executive ranks, David Antaw commenced on 17 October 2006 as Director, Finance and Systems (CFO) and brings a depth of public and private sector experience. Rachel Healy commenced as Director, Performing Arts from 6 November 2006 and has overseen a significant restructure of that area. Joe Horacek left on 4 May 2007 after 14 years of dedicated service and four years as Director, People and Culture and will be replaced by Rick Browning from 20 August 2007.

Chief Executive Norman Gillespie completes a five-year term in August 2007 following a period in which Sydney Opera House has evolved and innovated in its programming, systems and service delivery and during which it has successfully engaged new audiences. He leaves with goodwill and appreciation for his efforts from the Trustees and workforce equally.

Richard Evans will assume the role of Chief Executive in early 2008 and brings extensive knowledge and experience in the performing arts from many prior roles, most recently as CEO of The Australian Ballet. He is an insightful, talented and energetic leader well suited to the complexities of Sydney Opera House and the many stakeholders and interests

it must address effectively. Sue Nattrass has generously stepped aside as a Trustee to undertake the role of Interim Chief Executive until Richard Evans can commence.

## Thank You

On behalf of the Trust, I would like to thank the New South Wales Government for its continued support and sympathetic consideration. I would also like to record thanks on behalf of the Trust to the dedicated Executive Team and the workforce for the sustained commitment and quality of their contribution to audience and visitor services in delivering good business outcomes.

The Trust extends its warm thanks to our presenting and commercial partners and to the many artists and their technical support teams for their unstinting effort in continuing to offer inspiring experiences to the diverse audiences we collectively serve.

Finally, I offer my own warm appreciation and thanks to my fellow Trustees for their contributions throughout the year and for the support and counsel offered to me as Chairman.

**Kim Williams AM**

Chairman

# CEO'S MESSAGE



## Customer Service

We strive to make Sydney Opera House an exciting place to visit and hope our customers experience and enjoy the changes we have made in order to better deliver on our promise of *Live Performance Every Day*. We will continue in the next year to build throughout the organisation the culture that supports our brand values.

We undertook a range of activities to measure visitor and stakeholder satisfaction, achieving an overall customer satisfaction rating of 81% from our online survey. Following consultation with our Strategic Presenting Partners, together we agreed upon the priorities for changes in the services we provide to them (refer page 56) for more information. Further, we sought the views of staff to help strengthen our organisational performance, strengthen staff engagement with its changing culture, their job satisfaction and their opinion of the recognition received for a job well done.

In September 2007, we launch a new 'Host Team' to provide a welcoming and informative 'front door' to visitors. The team will be based at Stage Door and the Box Office Foyer. They will also rove the site and support special events.

## Performing Arts

Attendances at Sydney Opera House grew by 7% this year, with a total of 1,212,270 people attending 1,595 performances. There was truly something for everyone, offered at a variety of price points, with some events free of charge. Once again, a number of sell-out successes resulted from the inspiring programs of our major presenting partners: Sydney Symphony, Opera Australia, Sydney Theatre Company and The Australian Ballet (refer page 10 for more information) and our own creative and varied programs.

Sydney Opera House presented 703 performances attracting 313,727 people, an increase of 68% on last year. The opportunity to present work in the Opera Theatre, our greater use of the Concert Hall and the presentation of programs that have engaged the broader community all contributed to this pleasing result. There were many performance highlights which are outlined on pages 10 to 21. Among them were the *Vienna Philharmonic*, *Circus Oz* and *Honour Bound*.

Our commitment to providing quality performance experiences for young people continued, with a 16.5% increase in attendance to 73,625 this year.

Next year we will formalise our Public Programs stream, developing an explicit vision which will include a range of free community events and provide the public with opportunities to develop a more varied involvement with, and understanding of the arts and contemporary culture. We will also continue with a second program, *Adventures 07*, of festival highlights sourced from around the world.

## Tourism and Visitor Experience

As mentioned in the Chairman's Message, the implementation of the second year of the ten-year program to enhance our visitor experience increased participation in tours by 21%. We also launched a premium *High Tea at Sydney Opera House* this year, which was a sell-out success. Backstage Tours attracted 1,630 people, an increase of 64% on last year, and our Asian Language Tours attracted 77,198 people in their first full year of operation.

A dramatic new look to the Lower Concourse shop highlighted the completion of a two-year renovation project to improve the offer and margins of our branded retail outlets.

A number of projects in the Access Strategic Plan 2005/8 gained momentum. Designs were completed on a new public lift, with capacity for four wheelchairs; a customer Access Guide was published in a range of accessible formats and a two-day exhibition of works of art by artists with a disability under 25 years of age was held in the Utzon Room. Next year our website will be improved providing enhanced access features for customers.

## Building Program

Sydney Opera House was awarded World Heritage status on 28 June 2007, the youngest cultural site in the world to be listed. A new project to transform the Western Foyers commenced, led by Master Architect Jørn Utzon and Customs House became the venue for new staff accommodation. A new holistic Lighting Master Plan was developed and our Place of Public Entertainment licence was renewed to June 2008. Works were put in progress to maintain our commitment to waste and energy reduction and sustainability.

Information Systems has continued to build on the foundations laid in 2005/6, increasing the stability and capability of our systems and seeking solutions to maximise business advantage.

## People and Culture

I am pleased to report that our health and safety record has improved. This has been a key focus for the organisation. There was a substantial reduction in lost time due to injuries (down to 4.21 hours lost per thousand from 9.25 in 2005/6) and the number of Workers Compensation cases halved to 27.

A new staff 'Welcome Program' was launched in 2007 and is provided on a monthly basis. As a full orientation process for all new staff, it covers essential information about working at Sydney Opera House and is contributing to building a culture of *Live Performance Every Day*. Next year's focus will be on living the brand values.

## Thank You

I would like to thank Norman Gillespie and the Executive Team for the operational results that they have achieved. In my short time as Interim CEO, I have been impressed with the level of commitment of the staff and their ability to stage world-class events whilst implementing a broad range of corporate initiatives. I thank them for their ongoing dedication and professional approach. I would like to thank our Strategic Presenting Partners for the depth and breadth of programs they offer and for the ethos of collaboration that makes all our work easier. Thanks also to our major sponsors HP, Lexus, Country Energy, National Australia Bank, FOXTEL and LG and our donors, all who make it possible to expand experiences for so many people. Finally, I wish to sincerely thank the Trust, the Executive Team and staff for their welcome and support through the current period of change in leadership.

Sue Natrass AO

Interim Chief Executive

# VISION & GOALS

## VISION

To be the most distinguished and prominent performing arts centre in the world.

The essence of the Sydney Opera House vision is *Live Performance Every Day* and in delivering this we aspire to be the best. Our visitors will come to enjoy some of the best live performance experiences in the world, from one of the best hosts, and in one of the world's best buildings.

### GOAL 1

Be Australia's pre-eminent showcase for performing arts and culture and an international leader in the presentation and development of artists and their work.

### GOAL 2

Attract and engage a broad range of customers and provide compelling experiences that inspire them to return.

### GOAL 3

Maintain and enhance the Sydney Opera House as a cultural landmark, performing arts centre and architectural masterpiece.

### GOAL 4

Create a customer focused workplace where people are recognised for their contribution, realise their potential and are inspired to achieve outstanding results.

### GOAL 5

Invest in the performing arts, cultural activities and audience development by maximising business results of the Sydney Opera House and leveraging its assets, resources and brand.

## KEY OUTCOMES 2006/07

## OBJECTIVES 2007/08

### GOAL 1 PERFORMING ARTS (page 10)

- ✓ Enhance Sydney Opera House Programs
- ✓ New Commissions of performing arts programs
- ✓ *Adventures 07* performance program planned
- \* Implement Public Program (a number of free concerts and events were held, however a more strategic approach will be undertaken in 2007/8)
- ✓ Implement live broadcasts of performances
- ✓ Increase commercial strategy activity (100%)
- ✓ Concert Hall Acoustics ceiling reflector feasibility study
- \* Achieve 85% overall satisfaction - presenter survey (76% achieved)

- New commissions of performing arts programs
- Successful *Adventures 07* performance program
- Implement strategic and broad ranging Public Program stream
- Achieve 85% overall satisfaction - presenter survey
- Successful APEC event delivery
- Concert Hall Acoustics concept designs developed
- Restructure performing arts technical services delivery model

### GOAL 2 BROADENING THE EXPERIENCE (page 22)

- \* Achieve 85% overall satisfaction - online customer survey (81% achieved)
- ✓ Increase tour visitors by 17% (21% achieved)
- ✓ Tour bookings available online
- ✓ Revitalise English language tour experience
- ✓ New Opera Tea experience
- ✓ Disability Access Plan projects implementation (public access brochure, *AART.BOXX* exhibition support)
- ✓ Increase partners for Unified Customer Support System consortium (2 new members)
- ✓ Renovate SOH Stores and tour desk
- ✓ New functions operator and business refresh
- ✓ New Strategic Web Plan

- Achieve 85% overall satisfaction - online customer survey
- Increase tour visitors by 6%
- New 'Host Team' commences
- New 'The Essential Tour' launched
- New website launched
- Disability Access Plan projects implementation (staff access brochure, *AART.BOXX* exhibition, new website achieving Priority 1 standards)

### GOAL 3 BUILDING AND ENVIRONMENT (page 24)

- ✓ New offsite office accommodation (Customs House)
- ✓ Commence refurbishment work on the Western Foyer and new lift
- ✓ World Heritage Listing July 2007
- ✓ New Total Asset Management Plan
- ✓ Update Strategic Building Plan
- ✓ New Information Systems Strategic Plan
- ✓ Develop Lighting Masterplan
- ✓ Smoke Management System upgrade
- ✓ Forecourt Infrastructure Upgrade
- ✓ Achieve 80% for Building Condition Indices (84% and 82% achieved)

- Accessibility and Western Foyer project - complete works packages 1-4 and package 5 phase 2-3 of Accessibility and Western Foyer project
- Vehicle Concourse lighting
- Place of Public Entertainment Licence renewal
- Achieve 80% for Building Condition Indices
- Develop environmental policy and management plan

### GOAL 4 PEOPLE AND CULTURE (page 32)

- ✓ Enterprise Agreement 2006 finalised
- ✓ Successful Safety Week
- \* Reward and recognition program developed
- ✓ Successfully complete three traineeships
- ✓ Master of Arts Management collaboration with AIM
- ✓ Conduct Employee Opinion Survey

- Establish Live Performance Every Day as the centre of the culture of the organisation
- New OH&S Committee established and trained
- Information Systems Team restructure (from 5 to 7 day service)
- Broadened use of CHRIS21 system (OH&S, Human Resources, Training & Development)

### GOAL 5 GOVERNANCE (page 26)

- ✓ Strategic Plan review and endorsement
- \* Achieve targets in Enterprise Measures scorecard (training hours 18% less than target of 8,500 hours)
- ✓ Trustee Code of Conduct review and endorsement
- ✓ Australasian Reporting Award Gold Award

- Strategic Plan review and endorsement
- Achieve targets in Enterprise Measures scorecard
- Corporate Social Responsibility - Decide approach
- Trustee Code of Conduct review and endorsement
- Australasian Reporting Award - Gold Award
- Implement expanded Conservation Council following World Heritage Listing

### FINANCIAL OVERVIEW (page 34)

- ✓ Philanthropy Program - implement Annual Giving Fund
- \* Philanthropy Program - implement Capital Fund (planning commenced)
- ✓ New Business Case training program

\* Partially achieved

- Philanthropy Program - Capital Fund planning (feasibility study)
- Annual Giving Fund net contribution \$300,000
- Operating cash reserves maintained above \$4.5m
- Tourism contribution growth of 40%
- Food & beverage contribution growth of 13%
- Retail contribution growth of 14%

# PERFORMING ARTS

Implementation of strategies emanating from our Artistic Vision enabled us to grow audiences in every part of the business. Total audiences grew by 7% and audiences at Sydney Opera House presented programs increased by 68%. We continued to be the heart of community celebration and, with valuable support from the Balnaves Foundation, we were able to broaden our reach to disadvantaged audiences.



## KEY OUTCOMES 2006/07

**Helping to grow our total audience to 1,221,270 million people** and record a number of sell-out successes were the diverse programs offered by Sydney Opera House and our presenting partners Sydney Symphony, Opera Australia, Sydney Theatre Company and The Australian Ballet whose individual seasons are recorded in the following pages. Audiences overall increased by 7% and total performances were up by 2%.

**Confident in our ability to present programs that engage the community,** we invested \$2.9 million (net) in our Sydney Opera House presented programs this year. We achieved a 68% increase in audiences (313,727 people) and a 19.5% increase in performances (to 703), assisted by greater use of the Concert Hall and the opportunity to present work in the Opera Theatre.

**As a welcoming place that offers experiences for everyone,** this year we were able to grow our total young audiences by 16.5% to 73,625. Taking our longest running program, *Babies Proms*, on tour into regional New South Wales has been hugely successful, and this year Sydney Opera House and its business partner in this venture, Country Energy, received the Australian Business Arts Foundation NSW QantasLink Regional Award for this successful business/arts collaboration. *Justine Clarke - I like to Sing*, for 2-8 year olds, was a sell-out success over its 14 performances. For the over-14 age group, *Skid 180*, a British/Australian theatrical collaboration, provided a fusion of live BMX riding, physical theatre, animation and poetry. And *This Territory*, a dramatic documentary focusing on the Cronulla Riots, succeeded in provoking lively debate on current issues around cultural differences and experience.

**Meeting our commitment to offer a diverse range of the best live performance,** The Studio is a venue that celebrates the best of contemporary culture that challenges and reinvents traditional art forms. This year, The Studio achieved a 10% increase in audiences (33,945 people) with an eclectic range of works. *Tim Minchin - So Rock* provided quirky, contemporary comedy; contemporary cabaret was presented in *Camille - La Fille du Cirque*; and *Gyan and Leunig's Billy the Rabbit* and *Meow, Meow in Beyond Glamour: The Remix* created genres all of their own.

**A significant acknowledgement of our growing role as a major presenter and producer** came via the receipt of a 2007 Helpmann Award and three Sydney Theatre Critics Awards for *Honour Bound*, our work co-commissioned with Melbourne's Malthouse Theatre. After 33 Sydney performances for 5,141 people, the production based on the incarceration of David Hicks in Guantanamo Bay toured to Melbourne and then internationally to the prestigious Vienna and Holland Festivals. *Honour Bound* will also

be presented at the Barbican in London in November 2007. *Kaidan: A Ghost Story* was another important artistic partnership with the Sydney Festival and one of Australia's most acclaimed choreographers, Meryl Tankard.

**Creating an environment where risk-taking artists can excel,** our exciting new *Adventures* program encompassed the triple-awarded *Honour Bound* and showcased the talent of one of the most acclaimed international choreographers of our time. Emio Greco performed solo in the Playhouse his *Double Points: One*, a subversive version of Ravel's *Bolero* and Cloud Gate Theatre's *Wild Cursive* received critical acclaim.

**Responding to our community's love of the arts,** we provided a number of free performances including live broadcasts of the *Vienna Philharmonic* and *La traviata* (in association with Opera Australia) on the Forecourt and the Message Sticks Indigenous Film Festival. Complimentary artist talks were held after selected performances, giving audiences the chance to gain further insight into the work and to help de-mystify the creative process. Next year we will be broadening this program as part of our Public Programs stream.

**Supporting our vision to present iconic and influential artists and companies in the Concert Hall,** the *Vienna Philharmonic* visited Australia for the first time ever to perform exclusively in Sydney for four performances. In a radical departure from orchestral convention, the 50-part Lost and Found Orchestra clapped its hands, stomped its feet and dazzled audiences with orchestral manoeuvres in a production co-presented with Sydney Festival. Direct from Paris, a combination of tango musicians from Argentina and European electro-wizards performed the exciting, unique and seductive *Gotan Project*, which sold out its two performances, attracting 4,200 people. We collaborated with the ABC to commemorate Play School's 40 years of broadcasting with a special show. The Concert Hall attracted very different audiences with the sensual sounds of Marisa Monte, one of Brazil's hottest pop stars and with the dramatic style of world-renowned flamenco performer Eva Yerbabuena and her company of dancers in their first visit to Australia.

**Presenting performers and companies of exquisite artistry,** in the intimacy of the Utzon Room was a remarkable series of Chamber Music concerts, curated by Marshall McGuire. The Utzon Room Music Series showcased a wide array of works, spanning four centuries of musical composition.

**Supporting our commitment to engage people of all backgrounds,** we partnered with the Balnaves Foundation to increase access opportunities for disadvantaged audiences by subsidising tickets to a cost price of \$5. 1,063 people enjoyed five performances this year, including *Tim Minchin* and *A Porthole into the*

*Minds of the Vanquished*. As a result of support from the Clara Varga Foundation, this year we were able to expand our Arts Assist Program, which offers free transport and substantially discounted tickets for educational performances, to Priority Funded Schools in New South Wales.

**Helping us better understand and respond to the needs and aspirations of Presenting Companies,** we implemented another series of Presenter Satisfaction surveys. Surveys were conducted with Opera Australia, The Australian Ballet, Sydney Symphony and our own Producers' Unit. (see page 56 for results).

10 YEAR PERFORMANCE TRENDS			
Year	Performances	Audience	Average capacity
06/07	1,595	1,212,270	85%
05/06	1,558	1,129,879	83%
04/05	1,543	1,134,881	81%
03/04	1,653	1,145,789	80%
02/03	1,730	1,252,846	81%
01/02	1,563	1,101,320	83%
00/01	1,434	1,124,976	83%
99/00	1,533	1,247,763	82%
98/99	1,339	1,169,978	77%
97/98	1,273	1,184,683	76%
<b>10 Year Average</b>	<b>1,522</b>	<b>1,170,438</b>	<b>81%</b>

PERFORMANCE BY VENUE 2006/07		
Venue	Performances	Audience
Concert Hall	256 (227)	485,689 (431,730)
Opera Theatre	296 (288)	381,871 (361,795)
Drama Theatre	324 (291)	150,030 (129,999)
Playhouse	302 (317)	92,446 (100,009)
The Studio	279 (276)	60,449 (55,932)
Utzon Room	135 (153)	28,093 (31,495)
Outdoor	3 (6)	13,692 (18,919)

Previous year shown in brackets.

BOX OFFICE SALES			
Year	Tickets	Turnover	Online
06/07	612,366	\$40,130,170	31.7%
05/06	544,151	\$37,706,458	28.6%
04/05	533,661	\$36,057,649	27.0%
03/04	525,706	\$33,599,085	23.4%
02/03	521,168	\$29,296,944	17.2%

Once again, the music program encompassed richness in diversity and culture, spanning classical, popular, jazz and many contemporary collaborative art forms and artistic fusions from Australia and around the world.

Presentations	162
Total performances	452
Total audiences	524,595



## KEY OUTCOMES 2006/07

## SYDNEY SYMPHONY

Presentations	31
Total performances	95
Total audiences	192,705

It was a wonderful 75th Birthday year for Sydney Symphony with exciting new projects, growth in audiences by 5% and a tour to Japan. Sydney Symphony made good use of Sydney Opera House recording facilities this year to record under their own label, while 10 of their concerts were streamed through Telstra BigPond.

Audiences delighted in two wonderful festivals created to celebrate Sydney Symphony's 75th anniversary season in very different style. Paying homage to its beginnings by reprising one of its first major projects in 1933, a spectacular Brahms Festival was held in February 2007 under the baton of Maestro Gianluigi Gelmetti, offering audiences a unique insight into the music of this orchestral genius. *Brahms German Requiem* featured the talents of German soprano Marlis Petersen and Austrian baritone Markus Werba, while the opportunity to experience all *Brahms' Symphonies 1, 2, 3 & 4* afforded audiences the rare opportunity to experience a self-contained universe of emotion and the Orchestra at its best. Nine performances attracted an audience of 18,929. In complete contrast, the *Beethoven Festival* in June 2007 invited audiences to experience the depth and breadth of classical music's ultimate firebrand on a journey through all nine of his symphonies over an unforgettable fortnight. Ten performances attracted an audience of 18,576.

Delighting audiences with a full operatic score, the Orchestra presented one of Puccini's most elegant creations. *La Rondine* is a treasure trove of musical gems and Maestro Gelmetti displayed his expertise as an interpreter of Italian opera in this lyrical masterpiece, with three performances attracting an audience of 5,681.

Offering a fresh perspective on jazz, film and legendary talent, the Kaleidoscope Series, under the guidance of new Artistic Director, James Morrison, was a veritable feast for the senses. *Antarctic Symphony* brought together photographs from Scott's 1912 journey, the music of Vaughan Williams and the voice of John Bell reading the final extracts from Scott's diary. This haunting concerto attracted an audience of 3,786 over two performances. *Chick Corea, Jazz and Orchestra*, showcased one of the world's key figures in contemporary jazz, with the Sydney Symphony, marking the 35th anniversary of the album *Crystal Silence* by translating the playful, lyrical style of Corea and vibraphone genius Gary Burton to the orchestra. Two performances attracted an audience of 4,561. In more smooth and swinging style, the Orchestra joined three-time Grammy Award-winning vocalist Dianne Reeves, providing opulent orchestral arrangements to standards by

luminaries such as Sondheim and Gershwin in a tribute to the great Sarah Vaughan. Three performances attracted an audience of 6,692.

## SYDNEY OPERA HOUSE

Presentations	46
Total performances	235
Total audiences	166,011

Audiences delighted in the artistry of two very different orchestras. *Vienna Philharmonic*, one of the world's finest ensembles, visited Australia for the first time, with the generous support of NAB to present two outstanding programs exclusively at Sydney Opera House. Led by Valery Gergiev, one of the world's leading conductors, their four performances delighted a Concert Hall audience of 10,466, with a further 4,100 on the Forecourt enjoying a live and free broadcast of the fourth concert. Part of the Sydney Festival 2007, *Lost and Found Orchestra* featured 50 musicians, dozens of found objects and the complete cast of Stomp in a unique presentation that encompassed a rip-roaring clapping, shouting, stamping performance that was part percussive concert, part comedy and all performance. A total audience of 19,521 enjoyed the 10 performances.

Great acclaim greeted the inaugural *Utzon Room Music Series*. Perfect for the presentation of exquisite and intimate chamber music, The Utzon Room was designed by Jorn Utzon for this very purpose and this year marked the beginning of the realisation of his artistic vision. Seating just 200 people, the Utzon Room allowed audiences to get up close and personal for the four concerts performed by *Utzon Ensemble*, *Sydney Soloists*, *Flinders Quartet* and *Joseph Tawadros Trio*.

Showcasing important artists from around the world, six presentations provided audiences with contemporary sounds from Paris, Brazil, Portugal, Africa and India's Bollywood. The *Gotan Project* has developed into a world-wide phenomenon since its origins in Paris, when Argentinean tango musicians joined forces with European electro-wizards. Their two performances sold out, with a total audience of 4,200. Brazilian pop icon, *Marisa Monte*, gave two performances filled with style and sensuality, attracting an audience of 4,137. *Mariza - Concerto em Lisboa* saw this international star give a pop edge to traditional Portuguese Fado, with her two passionate and melodic performances attracting an audience of 4,034. *Sergio Mendes and Brasil '06* gave one performance of their smooth and unmistakable sound, attracting an audience of 2,239. In a lush, upbeat and bewitching blend of West African, Latin American and Islamic traditions, *Salif Keita* enchanted the audience of 2,169 in his one performance. Queen of Bollywood, Asha Bhosle and the Grammy Award-winning Kronos Quartet joined forces to perform the

great love songs of Bollywood. *Kronos Quartet and Asha Bhosle: India Calling* was a night of glamour and excitement, selling out its two performances with a total audience of 4,487.

Attracting new audiences by combining symphonic music with pop culture, *Play! A Video Game Symphony* saw Sydney Symphony and a full choir perform the music of today's favourite video games, whilst images from the games were shown on a giant screen. Five performances attracted a total audience of 10,244. In another magical blend, *Ben Folds with the Sydney Symphony* saw this world-renowned alternative rock artist perform orchestral arrangements of his songs in four performances to an audience of 9,155.

Audiences were treated to a rich mix of contemporary cabaret. Following sell-out seasons from Edinburgh to Melbourne, *Camille - La Fille du Cirque* saw Camille perform the songs of Jacques Brel, Nick Cave, Tom Waits and more in six shows attracting 1,546 people. Aria Award-winning singer/songwriter Gyan sang her beautiful, bittersweet interpretations of Michael Leunig's poems while Leunig painted on stage with imagery projected onto a screen. *Gyan and Leunig: Billy the Rabbit* attracted an audience of 1,360 over five performances. In *Meow, Meow in Beyond Glamour: The Remix*, international singing sensation and performance artist Meow Meow was joined by Pink Martini's Thomas M. Lauderdale on the piano for a Mardi Gras season in The Studio which attracted 1,795 people over seven performances.

Much loved by the under 5s, this year's *Babies Proms* once again used story-telling and music to explore distinct themes, such as counting, the alphabet, colours and food. This year, six programs were presented in 38 performances that played to an audience of 18,975 children, with an additional 27 performances touring to 17 towns across regional New South Wales.

## AUSTRALIAN CHAMBER ORCHESTRA

Presentations	8
Total performances	8
Total audiences	14,114

A Helpmann Award for Best Concert Presentation was just one highlight of the ACO's season, which encompassed eight presentations. *Revolution*, which won the Helpmann, showcased the virtuoso violin playing of Richard Tognetti to an audience of 2,331. Flowing folk melodies were the inspiration for the ACO's *Enchanted* concert, which attracted an audience of 1,415, while *Radiant* showcased the formidable talent of pianist Olli Mustonen performing Mozart's Piano Concerto K.413 to an audience of 1,799.



Theatre brimmed with life and diversity, ranging from the Sydney premiere of a Pulitzer Prize-winning one-man play to a hilarious look at the life and work of Spike Milligan. Sydney Opera House grew its reputation as a major theatre producer with an acclaimed new performance piece, now touring internationally. We collaborated with Sydney Festival to showcase six one hour productions from around the globe and Bell Shakespeare achieved another sell-out success with its new stripped-back version of *Macbeth*.

Presentations	55
Total performances	754
Total audiences	279,798

## KEY OUTCOMES 2006/07

### SYDNEY THEATRE COMPANY

Presentations	4
Total performances	203
Total audiences	98,173

A **Tony Awarded and Pulitzer Prize-winning one-man play** was performed to sell-out audiences in the Drama Theatre. Doug Wright's *I Am My Own Wife* saw Jefferson Mays bring to life more than 40 characters in a performance that has brought him universal acclaim and this time, a Helpmann Award for best actor. 44 performances attracted 22,491 people.

**Marking Noni Hazlehurst's much anticipated return to the stage**, Alan Ayckbourn's *Woman In Mind* enjoyed an extended season at the Drama Theatre. With a strong cast and Gale Edward's expert direction, 61 performances attracted 28,178 people.

**An innovative production of Patrick White's ground-breaking play**, *The Season at Sarsaparilla*, played to sell-out audiences and received critical acclaim. Benedict Andrews and Robert Cousins produced a new slant on this look into 1960s suburbia using new technologies. The 38 performances attracted 19,958 people.

**Showcasing Spike Milligan's life and his pioneering work** with a comedic tour de force, *Ying Tong - A Walk with the Goons* began its extensive national tour at the Drama Theatre. Richard Cottrell's hilarious production, starring Jonathan Biggins, David James and Geoff Kelso, enthralled an audience of 27,546 over 60 performances.

### SYDNEY OPERA HOUSE

Presentations	38
Total performances	383
Total audiences	115,601

**Winning local and international acclaim and four major critics' awards**, *Honour Bound* was commissioned by Sydney Opera House and Malthouse Theatre (Melbourne) for our new *Adventures* program. Based on the incarceration of David Hicks in Guantanamo Bay, this edgy production won Best Mainstage Production at the Sydney Theatre Awards, a Helpmann Award for Best Physical Theatre and played to 5,141 people over 33 performances. Following its Australian success, it went on to the prestigious Vienna and Holland Festivals and will be presented at The Barbican in London in November 2007.

**Opening the Opera Theatre to a new family audience**, *Circus Oz - Laughing at Gravity* showcased their iconic daredevil aerial performances and irreverent social satire in a venue usually reserved for the high arts. 17 rambunctious performances attracted 19,654 people.

**Connecting to the broader community with a story that speaks across generations**,  *Holding the Man*, which won the 1995 United Nations Human Rights Award for Non-Fiction, was translated to the stage by Griffin Theatre Company in a heart-wrenching story about sexual preferences and cultural differences. 22 performances attracted 7,996 people.

**Showcasing one of the world's most skilled puppeteers**, *10 Days on Earth* was written and performed by Canada's Ronnie Burkett in his debut at the Sydney Opera House Playhouse, following the production's world premiere in Toronto. 15 performances attracted 4,373 people.

**Proving a major highlight for Indigenous filmmakers and audiences**, our *Message Sticks Indigenous Film Festival* in May 2007 was even bigger, with screenings in both the Playhouse and The Studio. Hosted by Deborah Mailman, the Opening Night Gala premiered *Crocodile Dreaming*, starring the Festival's special guest, David Gulpilil and announced the winners of the Tudawali Award and the Bob Maza Fellowship, won by Priscilla Collins and Aaron Pederson respectively. Curated by Indigenous filmmakers, Rachel Perkins and Darren Dale, the Festival showcased an impressive array of local and international indigenous stories and documentaries. Total attendance was 4,318.

### BELL SHAKESPEARE

Presentations	4
Total performances	128
Total audiences	53,149

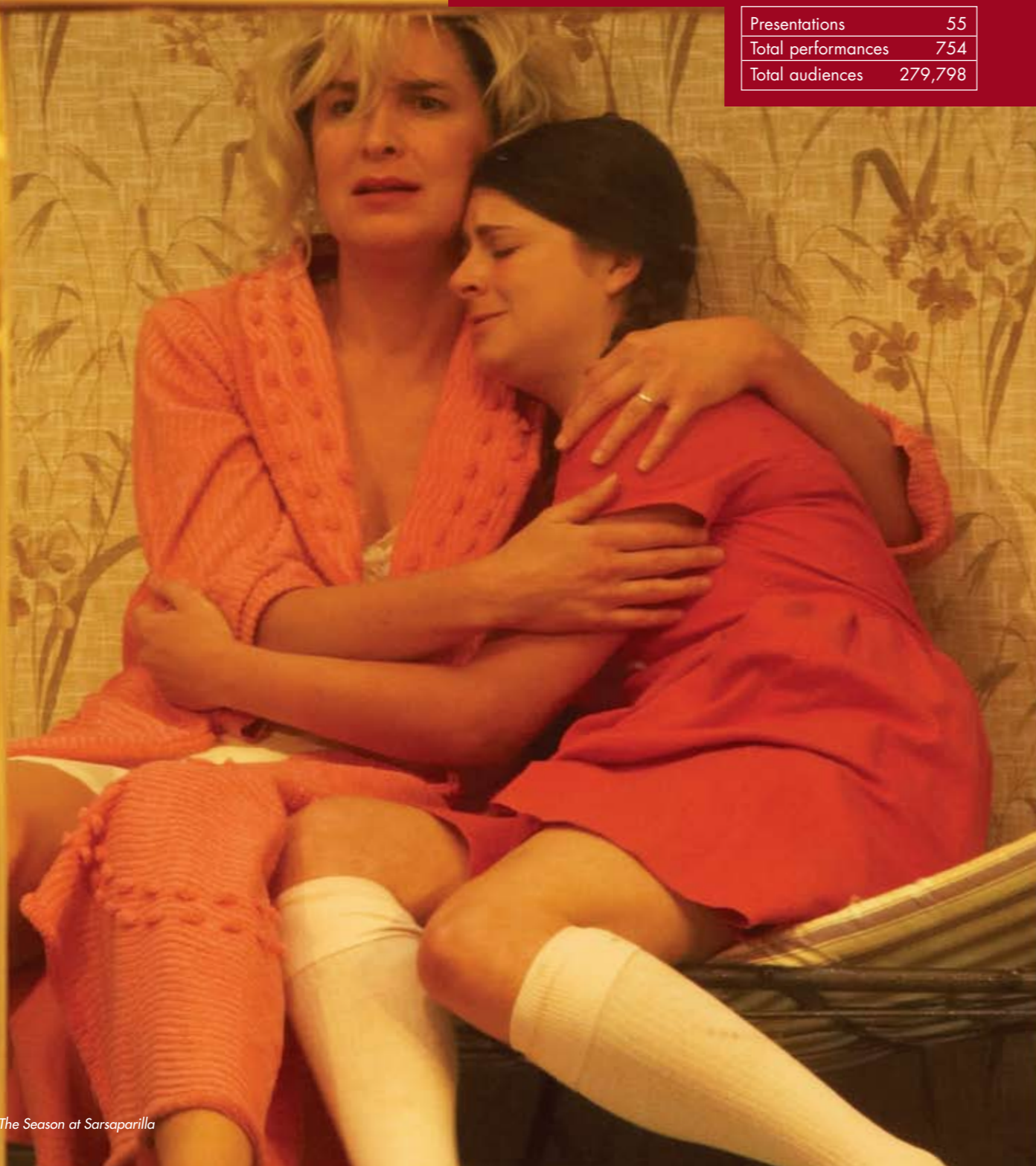
**Sell-out success for all 44 performances** greeted John Bell's stripped back production of *Macbeth*, Shakespeare's most haunting play. Sean O'Shea and Linda Cropper lit up the stage to a total audience of 17,400. A ground-breaking production of *Othello* combined the talents of Helpmann Award-winning director Marion Potts and acclaimed actors Marcus Graham and Wayne Blair in 13 performances to a total audience of 6,513. The Company reprised John Bell's exciting new take on the perennial tragic love story of *Romeo and Juliet*, once again selling out all 18 performances to an audience of 9,627. And John Bell played the lead role of Prospero in *The Tempest*, directed in the signature vivid and sensual style of Peter Evans. 53 performances attracted an audience of 19,609.

### SYDNEY FESTIVAL

Presentations	6
Total performances	30
Total audiences	9,260

**Showcasing six productions from around the world**, once again Sydney Opera House collaborated with Sydney Festival to offer fresh, inspiring theatre.

*About an Hour* rolled out a series of high calibre one-hour productions from the USA, Australia, Norway, Poland and the UK, presented across three venues at the very affordable ticket price of \$25. *Kiss of Life* showcased the talents of British cult storyteller, Chris Goode, in a high-risk romantic comedy; *Taylor Mac* offered a strangely beautiful ukulele-strumming fusion of performance art, cabaret and drag; French performance trio Au Cul Du Loup created a feast of exotic poetry and images in *Mousson*, with its theme of climate and industrial change; in similar vein, *Our Brief Eternity* used dance as its medium to investigate the minute acts which add up to the monumental force of modern progress; whilst the soundtrack, dance and physical theatre of *The Space Between* focused on the intimately personal, examining the things that keep us apart and what lingers in the space between. Bridging incredible discipline and wild improvisation, *The White Cabin* was a series of imaginative Russian cameos by three artists and a dazzling combination of live performance, video, a vibrant score and beautiful lighting.



Honour Bound

# OPERA

This year, the national opera company celebrated its 50th anniversary. Celebrations included the publication of *Creative Stages: An Intimate Celebration of Opera Australia*, an Open Day at Opera Australia's Surry Hills home and a 50th Anniversary Gala Concert in the presence of Dame Joan Sutherland. In this milestone year, it also programmed a range of work designed to reach a broader public. In total contrast, The Studio presented a post-punk musical production tracing the life of the last woman to be hanged in Australia.

Presentations	22
Total performances	188
Total audiences	246,155



## KEY OUTCOMES 2006/07

### OPERA AUSTRALIA

Presentations	18
Total performances	179
Total audiences	243,739

**Grand opera, magnificent and extravagant**, not only thrilled audiences in the Opera Theatre but, for one special evening, was relayed free of charge to an outdoor audience on the Forecourt and to Federation Square, Melbourne. Elijah Moshinsky's production of *La traviata* lovingly recreated a Parisian autumn in every detail for a total audience of 27,712 over 19 performances. An additional 4,476 enjoyed the outside broadcast on the Forecourt.

**A new production of Delibes' exotic classic** returned to the Opera Australia stage. Director Adam Cook and designer Mark Thompson created a new look and feel for *Lakmé*, retaining the crushing despair of colliding cultures and ill-fated love in this passionate opera that features some of opera's greatest show-stoppers. Nine performances attracted a total audience of 12,922.

**For the first time, the company presented a sublime late work by Mozart.** *La Clemenza di Tito* is an astonishing masterpiece, even more remarkable in that it was completed in just 18 days and while the composer was gravely ill. Eight performances attracted an audience of 8,923.

**The first Sydney presentation of a new Australian commission** was staged in 2006 at Sydney Opera House. *Batavia* has been greeted with audience and critical acclaim since its Melbourne premiere in 2001 and its 2004 Perth International Arts Festival Season in partnership with West Australian Opera. In its debut Sydney season, five performances attracted an audience of 5,740.

**A 20th century Czech masterpiece that reveals courage** and questions age-old archetypes featured a magnificent cast in a stark Eastern bloc setting. *Jenufa* directed by Neil Armfield and conducted by Richard Hickox attracted an audience of 6,730 over seven performances.

**Building on the Company's reputation for compelling baroque opera**, Music Director, Richard Hickox conducted two baroque operas by Handel. The first was Francisco Negrin's 1994 production of *Julius Caesar*, starring Tobias Cole, Catherine Corby and Emma Matthews. The second was a new production of *Alcina*, Handel's magical tale that evolves into a dramatic tour de force. Eight performances of *Julius Caesar* attracted an audience of 9,115 and 11 performances of *Alcina* attracted 12,521 people.

**It might not be opera, but Sondheim's award-winning musical *Sweeney Todd*** thrilled Sydney audiences with an emotional immediacy that Mozart himself would have applauded. Starring Peter Coleman-Wright and Judy Connelli, who have won almost every award for their portrayal of the Fleet Street felons, the musical was directed by Gale Edwards and conducted by Julia de Plater. 13 performances attracted an audience of 16,333.

**Among the most popular productions of this season** were a new production of Dvorak's fairytale opera *Rusalka*, starring Cheryl Baker, with eight performances attracting some 11,357 people; Graeme Murphy's inspired interpretation of *Turandot*, a daring and colourful production that attracted 27,536 people over 19 performances; and a new production of one of the most popular operettas of all time, Stuart Maunder's new take on *The Pirates of Penzance*, with 32 performances attracting a total audience of 45,657.

**Exciting productions of two perennial favourites were staged.** The Fellini-esque quality of Elijah Moshinsky and Michael Yeargan's production of Verdi's *Rigoletto* has become an Opera Australia classic, with 15 performances attracting an audience of 20,857; while Neil Armfield's lively production of Mozart's near-perfect opera, *The Marriage of Figaro*, entranced a total audience of 23,754 over 16 performances.

**A wider public was able to enjoy Opera Australia productions** as a result of this year's unprecedented level of collaboration with the ABC. Live broadcasts of operas on ABC Classic FM, the televising of the 50th Anniversary Gala Concert on Christmas Eve and a Golden Jubilee documentary all helped take the Company's work to a broader, national audience. And perhaps most people-pleasing of all was the extraordinarily successful Operatunity Oz, whose final episode was televised at Sydney Opera House, with the competition winners taking to the Opera Theatre stage to perform in the Company's production of *Rigoletto*.



Batavia

### SYDNEY OPERA HOUSE

Presentations	1
Total performances	6
Total audiences	815

**In a daring departure from operatic convention**, Sydney Opera House joined forces with Green Room Music to present a new post-punk music-theatre work that traced the life of the last woman to be hanged in Australia. Presented in The Studio, *The Hanging of Jean Lee* was based on Jordie Albiston's verse biography. Six performances attracted 815 people.



La traviata

Dance this year encompassed a sell-out season for a Nureyev production, a world premiere for an updated classic, two Australian premieres of new work and the first program in the Ballet Russes project. Audiences were treated to a vast array of influences that included a contemporary slant on Japanese culture, a seamless mix of Chinese and Western aesthetics, virtuoso displays of classic flamenco and a raw fusion of dance, voice, acrobatics and BMX.

Presentations	29
Total performances	201
Total audiences	161,722



## KEY OUTCOMES 2006/07

## THE AUSTRALIAN BALLET

Presentations	8
Total performances	93
Total audiences	115,005

**Selling out all 22 performances**, Rudolf Nureyev's charming production of *Don Quixote* was filled with excitement and colour. Performed as a ballet for hundreds of years, Nureyev's updated classic thrilled a total audience of 31,644.

**Two 21st century premieres**, both sleekly modern and achingly beautiful, were combined with a George Balanchine 1928 master work in a program entitled *New Romantics*. Christopher Wheeldon's *After the Rain*, Stephen Baynes' *Constant Variants* and George Balanchine's *Apollo* played to 23,492 people over 21 performances.

**The world premiere of resident choreographer Stephen Baynes'** production of *Raymonda*, updated the ballet to the 1950s and based it on the life of screen goddess-turned-princess Grace Kelly. With award-winning costumes and set designs by Anna French and Richard Roberts respectively, 21 performances attracted 27,823 people.

**A triple bill paid homage to a pioneering Russian choreographer** and marked the company's first programming contribution to the ongoing project, *Ballet Russes in Australia: Our Cultural Revolution*. *Revolutions* contained three works by Mikhail Fokine presented in both traditional and renewed productions and the dancers were coached by legends of the Ballets Russes era, including Irina Baronova, Valrene Tweedie and Anna Volkova. 21 performances attracted 26,666 people.

**Continuing to focus on access and outreach**, *Introduction to the Ballet* this year featured excerpts from *Les Sylphides* and *Apollo*. Part of an ongoing education program to introduce the joys of ballet to everyone from five years upwards, the program encompassed training, rehearsal, coaching and a fully staged performance, accompanied by the Australian Opera and Ballet Orchestra. Two performances drew an audience of 2,565 people.

## SYDNEY OPERA HOUSE

Presentations	12
Total performances	90
Total audiences	33,166

**Marking the return to Australia of Meryl Tankard**, *Kaidan: A Ghost Story* was the result of an exhilarating collaboration of the legendary Tankard with Australia's leading taiko drum ensemble, TaikOz, and visual artist Regis Lansac. Drawing on the richness of Japanese culture, this exciting new commission was presented with Sydney Festival and drew 7,429 people over 15 performances.

**Bridging Chinese and Western aesthetics**, one of world's most influential choreographers brought his extraordinary company to Australia for an inspirational two nights in the Opera Theatre. Lin Hwai Min's Cloud Gate Dance Theatre of Taiwan performed a beautiful blend of modern dance, tai chi and martial arts that evoked the vibrant energy of flowing ink. Cloud Gate Dance Theatre's *Wild Cursive* attracted 2,666 people over two performances.

**In a rare opportunity to see the original work of acclaimed New Zealand artist and choreographer Douglas Wright**, audiences were both seduced and shocked by this powerful culmination of Wright's 25 years of making dance theatre. *Black Milk* delivered both poetic reverie and shocking nightmare to a total audience of 2,159 over nine performances.

**A dazzling pair of short pieces by acclaimed Italian choreographer Emio Greco** thrilled audiences in the Playhouse. *Double Points: One and Two* was the latest in a collaboration between Greco and Dutch Theatre Director, Pieter C. Sholten, to find a new language of dance in non-prescriptive performance. *Double Points* was presented in Australia for the first time, having previously won the Sonia Gaskell Prize for Choreography and the Herald Angel at the Edinburgh International Festival in 2001 and Outstanding Performance in the Time Out Live Awards in 2004. 10 performances attracted 2,141 people.

**Combining live dance with a digital landscape**, *Chunky Move: Glow* was the latest offering in The Studio from this cutting-edge Melbourne dance troupe. Just 20 minutes long, a sophisticated video-tracking system by German Interactive Software Engineer Frieder Weiss, cast lighting and graphic images over the work in response to the dancer's movements. 17 performances attracted 2,456 people.

**Following sell-out seasons in New York and throughout Europe**, legendary Seville-based Flamenco performer Eva Yerbabuena brought her company of dancers to Australia for the first time to perform at Sydney Opera House. Presenting her signature production of *Eva*, Yerbabuena demonstrated the timeless quality of this traditional song and dance form whilst other pieces introduced the audience to some of flamenco's most talented younger artists. Five performances attracted a total audience of 9,428 people.

**In an astounding fusion of skills as artful and disciplined as ballet**, *Branch Nebula's Paradise City* combined dance and voice with skating, break dancing, BMX riding and acrobatics. In a stark cityscape, with a score that combined Bach with electrical guitar, this was a presentation of sheer raw energy, tightly choreographed and teeming with life. This commissioned work has been invited to prominent festivals. 10 performances attracted 2,013 people.

Kaidan



# YOUNG AUDIENCES & EDUCATION

We delivered on our commitment to provide quality contemporary performing arts experiences for young people and to meet the increasing demand in this area, with audiences growing by 16.5% to 73,625. Presentations for toddlers through to 'twenty somethings' made use of both traditional and cutting-edge art forms to inspire, engage, educate and, most importantly, to celebrate the presence of young people as an important current audience with sophisticated artistic tastes.



## KEY OUTCOMES 2006/07

### SYDNEY OPERA HOUSE

**An award was received for the successful partnership that permits regional touring** of our longest running program, *Babies Proms*. The series, which introduces toddlers to the performing arts, this year included songs and music about the alphabet, numbers, books, colour, food and sounds made by the string instrument. Sydney Opera House and Country Energy were awarded the QantasLink Regional Award by the Australian Business Arts Foundation NSW for broadening the reach of this perennially popular series into regional New South Wales. An audience of 29,667 was attracted to 135 performances, including 5,591 people for the touring performances in 17 NSW regional towns including Bathurst, Burke and Bunnaloo.

**Sell-out success greeted all 14 performances** of our musical theatre offering for two to-eight-year-olds. *Justine Clarke - I like to Sing*, was commissioned by Sydney Opera House in association with the ABC, and attracted an audience of 5,499.

**Celebrating an important milestone in Australian children's television**, we joined with the ABC to present a show commemorating Play School's 40th Birthday. The concert featured current ABC presenters and some well-known characters in a joyous celebration of songs, games and stories. Six performances delighted an audience of 9,463.

**Communicating directly and poignantly to the over seven year olds**, an internationally acclaimed Danish Theatre Company Grupp 38 presented *Little Match Girl*, an exceptional, award-winning production which remade this classic tale in an arresting and challenging way. It attracted an audience of 886 over eight performances.

**A major international collaboration provided young adults** with a rich mix of roaring engines and contemporary art forms in the story of a misfit. *Skid 180* was the result of international collaboration between Melbourne's Arena Theatre Company and Manchester's Contact Theatre, presented by Sydney Opera House. Live BMX riding, physical theatre, animation, beat box, poetry and a cast of dynamic young actors created an epic fusion of art forms in this unique production. 14 performances attracted an audience of 4,009.

**An innovative, contemporary adaptation of a classic** brought to life and to the stage the much-loved story by Margery Williams of a boy and his cherished toy rabbit. *The Velveteen Rabbit* was a sophisticated, almost filmic production that we co-presented with Spare Parts Puppet Theatre. It incorporated aerial panning and puppetry techniques that cleverly blurred the line between reality and imagination. 23 performances attracted an audience of 6,492.

**Exploring friendship, differences, childhood and family**, while irresistibly drawing the audience of five-to-nine-year-olds into the imaginative world of play, *Emily Loves to Bounce* marked Adelaide's Patch Theatre's welcome return to Sydney Opera House. This whimsical blend of music, physical theatre, illusion and light attracted an audience of 8,686 over 26 performances.

**Encouraging the audience to be themselves** through a hip and humorous interpretation of a legendary New Zealand tale, *Hinepau*, produced by the Capital E National Theatre for Children, explored the theme of being ostracised for being different. Ingenious animation and a remarkable cast attracted an audience of 4,360 over 20 performances.

**Designed to foster young people's interest and engagement** with performing arts and art making, *danceTANK: Freedom to Launch* was a successful presentation, selling out all six performances and attracting an audience of 1,163. This celebration of contemporary youth culture was an initiative to provide young dancers from 14 to 16 years and from all over Sydney with a forum in which to work with professional choreographers, composers and lighting designers to create bold, contemporary dance.

**Reflecting our commitment to create a centre of excellence** for young people's engagement with arts practice, a series of workshops were held enabling 19 young dancers, from the ages of 14 to 26, to work with professional artists to further develop *The Drill*, a new dance work they created in 2005. *Special Mention*, a special Sydney Opera House commission in association with Stompin and Critical Path, explored society's relentless pressure to succeed and the cultural divide created by our judgment of failure. The workshops culminated in a performance season that attracted an audience of 862 over six performances.

Hinepau



## OTHER SPECIAL PRESENTATIONS

**Exploration of current issues through an art form** that directly communicates with a young audience was the driving force behind a dramatic documentary presented by Australian Theatre for Young People and Powerhouse Youth Theatre. *This Territory* was the result of an intensive six months of collaboration between people from a cross-section of Sydney suburbs and key players in the 2005 Cronulla riots. Featuring a culturally diverse cast, it follows the ripple of a seemingly random act of violence that rapidly awakens old conflicts that are based on race, religion and notions of territory. 11 performances attracted an audience of 2,186.

**Encouraging schools to foster the development of the performing arts**, two programs showcased the emerging talents of primary and high school students respectively. The Arts Unit of the Department of Education and Training presented a series of nine sell-out concerts to 18,028 people, featuring primary school choirs from all over NSW performing with orchestral accompaniment. *Encore 2007*, presented by The Office of the Board of Studies, showcased a selection of outstanding performances and compositions by High School Certificate music students, selling out its two performances and attracting an audience of 5,291.

# BROADENING THE EXPERIENCE

In the second year of an ambitious ten-year program to enhance the visitor experience, results exceeded targets. New tour experiences were a winner, with greater accessibility to information and booking and our first season of *High Tea at Sydney Opera House* selling out. Our new functions operator exceeded first-year targets, the two-year revitalisation of Sydney Opera House branded retail outlets was completed and the first programs in the Access Strategic Plan were implemented. As we continue to build and broaden, we continue to bring the wider community together.

## KEY OUTCOMES 2006/07

**Designed to give us vital feedback on our performance**, we undertook a range of activities to measure visitor and other stakeholder opinion. Our online customer survey gave us an overall customer satisfaction rating of 81% (our target was 85%) from 1,100 visitors. Research was undertaken on the impact of the proposed new logo and on our *Adventures* programming marketing and communications for 2006. We sought feedback on our new access projects and continued discussions with our presenting partners on event processes, facilities and support services (refer to page 55 for more information).

**Seeking to continually enhance the experience of our visitors**, we launched *High Tea at Sydney Opera House*, introduced a new online tour booking facility and prepared for a September 2007 launch of a new Host Team dedicated to providing visitor welcome and information services. Front of House, Visitor Services and Ticketing staff undertook skills training in delivery of 'iconic service' and our Customer Service Team met quarterly to review customer service standards and delivery, including new brand messaging and the reward, recognition and orientation of staff.

**Supporting the Access Strategic Plan launched last year**, the first programs of the 62 planned projects were implemented:

- **Communicating key access information** for visitors with disabilities and their carers, our first Public Access Guide was published in a range of formats, including Braille, Large Print, CD and MP3 audio file
- **Helping to raise awareness of the skills and talents of young people with a disability**, *AART.BOXX* a two-day exhibition of works of art by artists under 25 with a disability was hosted in collaboration with Accessible Arts and NOISE. Over 250 people attended the event, which we will host again in November 2007
- **Extending the celebration of International Day of People with Disabilities** we offered special discounted Access Tours for a week, with 131 people with disabilities and their carers taking advantage of the offer

- **Integrating access into planning**, designs were completed for the new Bennelong Lift with capacity for four wheelchairs and 40 people; new accessible unisex toilet facilities were designed for the Western Foyers and our Lighting Masterplan was completed incorporating disability access standards

- **Ensuring all staff develop sensitivities around disability access**, Accessible Arts provided tailored accessibility training for customer-facing staff and disability awareness sessions were integrated into our regular staff orientation program. We also launched an Access Awards program at which 16 people received awards for their contribution to access projects. Key note speaker at the Awards launch, Dr Simon Darcy, Associate Professor in the Faculty of Business at UTS, presented Sydney Opera House: Access Market Potential in a Globalised Environment

- **Maintaining our accessibility focus**, next year we will create a staff access guide and our website will achieve Priority 1 and most of Priority 2, as defined in the W3C Web Content Accessibility Guidelines 1.0.

**Creating a globally competitive and compelling visitor experience** was the ambitious vision of the Independent Tourism Review conducted in 2005. Since laying the foundations to realise that vision, overall visitor participation in tours has increased by 33% (81,000 people) and our tourism margin has increased from \$0.9m in 2004/5 to \$3.2m in 2006/7, an increase of 227%. 328,228 people took a tour, an increase of 21%.

**Contributing to a strong result**, our new product offerings were a big success. Tours in Korean, Japanese and Mandarin languages attracted 77,000 visitors and 1,630 people took our premium Backstage Tour (up from 995 in 2005/6). Easier access to information and booking helped to increase participation, with the relocation of the tour information and sales desk to the box office foyer and the introduction of online sales of tours in September 2006. 11,000 people using this medium to book tours. Our expanded Tourism sales team has broadened our reach, ensuring that Sydney Opera House now features in 40 major international tourism brochures.

**Continuing to broaden our reach and innovate**, next year we will include India in our international sales and marketing efforts. We will review and re-brand a suite of performance packages that include show, tour and dinner and a new tour experience 'The Essential Tour' will be launched in October 2007, using state-of-the-art audio and visual technology.



High Tea at Sydney Opera House

**Launched in December 2006 and an instant hit with visitors**, our first *High Tea at Sydney Opera House* season sold out. This premium experience, created by 3-star Michelin-trained chef, Guillaume Brahimi, is held monthly and combines award-winning cuisine, the unique setting of Guillaume at Bennelong and an opera recital. Some 958 people enjoyed the experience in its first six months, with planned expansion to fortnightly events next year and weekly from January 2008.

**Tackling the challenge of growing our functions business**, new functions operator, Opera Points Events, commenced in September 2006, with well known chef, Matthew Moran, consulting on menu development. With its initial focus on successful delivery over the busy summer period, OPE has exceeded financial targets in the first year of operation, with very positive customer feedback. With the exception of Outdoor Vending, which is affected by weather and outdoor events, other food and beverage outlets also performed well, with an overall increase in contribution of 26% compared to 2005/6

**A dramatic new look to the Lower Concourse shop** highlighted the completion of a two-year project to re-engineer the business and improve the margins of our branded retail outlets. Its evolution to premium design store is set to provide a new benchmark for cultural institution retailing, with a product range inspired by the uniqueness of the building design. After a slow start following renovation in December 2006, sales were back on track by the end of the year.

**Taking seriously our role as good corporate citizen**, we assisted some 40 charities and community groups this year, from local public schools and kindergartens to organisations such as Australian Youth Orchestra, Indigenous Women's Forum and the Gundagai Neighbourhood Centre for drought relief. In many cases, support was given in the form of a donation of performance tickets to be raffled at a charity event. In others, we offered subsidised entry to performances or tours.

### 5 YEAR GUIDED TOURS TRENDS

YEAR	PEOPLE
06/07	328,224
05/06	270,040
04/05	246,914
03/04	244,890
02/03	229,100

# BUILDING AND ENVIRONMENT

This year, Sydney Opera House was awarded World Heritage status and is uniquely now as the youngest cultural site in the world; a new accessibility project is being led by Master Architect Jørn Utzon; Customs House became the venue for new staff accommodation and a new lighting project was designed with an holistic approach. An industry excellence award was achieved and works were in progress to maintain our commitment to waste reduction and energy reduction and sustainability.



## KEY OUTCOMES 2006/07

**Achieving status as the youngest cultural site ever to be included,** Sydney Opera House was awarded World Heritage Listing on 28 June 2007, 18 months after its official nomination. In a wonderful tribute to the genius of Master Architect, Jørn Utzon and to those who engineered and built it, the expert evaluation report from the World Heritage Committee stated 'it stands by itself as one of the indisputable masterpieces of human creativity, not only in the 20th century, but in the history of mankind'.

**Designed to greatly improve accessibility** and services for visitors, work began in January 2007 to completely refurbish the western foyer interiors and to connect many more areas of the site. The Accessibility and Western Foyers Project is led by Jørn Utzon and is the third project to be undertaken by the Master Architect since his re-engagement. Due to be completed in 2009, the project will provide more food and beverage service areas, better toilet, cloakroom and box office facilities; it will see new lifts installed to link three levels and escalators that will connect the Box Office to the Southern Foyers of the Concert Hall and Opera Theatre.

**Answering the demand for offsite office space** as a result of the continuing expansion and diversification of Sydney Opera House, space was leased on Level Three of Customs House at Circular Quay. A perspex model of Sydney Opera House, that is 4.5 metres long by 3 metres wide, is now on display there for public viewing.

**Ensuring a holistic approach to lighting design,** a new Lighting Master Plan was developed with the assistance of Utzon Architects, Johnson Pilton Walker and Steensen Varming. As well as providing for safety, security and an aid to way-finding, the Master Plan reinforces the unique identity of Sydney Opera House. Lighting of the concrete beams on the Vehicle Concourse will be the first step of implementation and is due for completion in July 2007.

**Renewal of our Place of Public Entertainment (PoPE) Licence was successful,** extending until June 2008. Conditions of the licence include continuation of a number of works, consisting of a fire services and smoke management system upgrade. This has commenced and is required to be completed by June 2011 at a total estimated cost of \$25.5 million.

**Building information modelling earned an Industry Excellence Award.** The FMA Australia and Rider Hunt Terotech Industry Achievement Award was presented to the Cooperative Research Centre for Construction Innovation for their work on developing Building Information Modelling standards, using Sydney Opera House as the example. This research on building information modelling has the potential to create new

Australian standards for integration of 3D design, construction and through-life facility management data, in an easily shared and integrated data management environment.

**Delivering a range of maintenance works, upgrades and renewal projects,** our Total Asset Management Program for 2006/7 included activities focussed on air-conditioning efficiency and fire safety improvements as required by our Place of Public Entertainment (PoPE) licence. Of the \$20.2 million allocated for maintenance works, \$9 million was spent on fire services upgrades. Key maintenance contracts for stage automation, fire services and air-conditioning were renewed at an annual cost of \$2.8 million. Other key projects included replacement of economy air dampeners, a new cloakroom to support our new audio-visual tours and preparation of a new energy savings action plan. Our focus in 2007/8 will be on PoPE fire services upgrades, a new sewer pit, a second sea water intake, air-conditioning chiller overhaul, upgrades to emergency and exit lighting and replacement of hot water thermostatic valves.

**Improving the building condition and care year on year,** we continued to make this a priority, following introduction of a range of Building Condition Indices in 2005. The Building Fabric Index (BFI) measures the condition of the building; the Cleanliness and Tidiness Indices (BPI) measure how well we present the building and site, with inspections carried out on a daily basis. With 100% representing 'as new', a target score of 80% was established for this year, with an average of 84% achieved for the BFI (78% 2005/6) and 82% for the BPI (82% 2005/6). The target for next year continues to be 80%.

**Implementing a three-year Information Systems Strategic Plan** that was approved by the Trust in August 2006, a range of initiatives helped the aim to increase system stability and capability and to maximise business advantage including:

- training of all IS Staff in the IT Infrastructure Library (ITIL) service delivery standards and an extension of Service Desk Hours
- working with business partner HP on planning and design of disaster recovery solutions for core business systems, with implementation to commence in 2007/8
- design and installation of a new satellite office at Customs House, including a box office facility in the foyer
- refresh of the network and HP server infrastructure and selection and installation of a content management system to support the new version of sydneyoperahouse.com, which is to be launched in 2007/8
- new desktop facilities for operational staff



- extension of the UCSS Consortium to include Bell Shakespeare and the Australian Brandenburg Orchestra
- design and trial of a new secure remote access system to enable staff to work remotely
- ongoing leverage of Tessitura to support the Annual Giving Fund and sales of tour product through the online channel.

**Sustained energy management and savings** continues to be an important commitment. This year, 6% of our energy usage was green. Replacement of economy outside air dampeners, hot water use assessment, chiller performance review, glass shading trials, and development of a lighting master plan helped our energy usage to remain static, in spite of increases in tourist patronage and building usage. We re-assessed our energy use profile this year, identifying initiatives which could potentially see our CO2 output reduced by 4,300 tonnes per annum. These will be progressively evaluated and, where possible, implemented. Other planned projects include review of air-conditioning performance, focussing on open spaces and replacement of thermostatic mixing valves in the hot water supply system.

**Improvements in waste collection, removal and procurement this year** were made possible through the continued use of waste management audits. Positive changes in the ratio of recyclable to putrescible waste were achieved through a variety of measures, including:

- increased separation of cardboard and paper from general waste, through provision of more recycling bins
- increased separation of building works waste materials from general waste with recycling, where possible
- separation of loose waste, such as fruit and vegetable foam containers, with recycling where possible
- reduced rates of contamination in separate waste streams, such as glass, cardboard and paper.

# CORPORATE GOVERNANCE

## THE TRUST

### The Trust's Objectives and Conduct

Sydney Opera House is operated and maintained for the Government of New South Wales by the Sydney Opera House Trust, which is constituted as a body corporate under the Sydney Opera House Trust Act, 1961.

The Trust's objectives are: to administer, care for, control, manage and maintain the Sydney Opera House building and site; to manage and administer the site as an arts centre and meeting place; to promote artistic taste and achievement in all branches of the performing arts; to foster scientific research into and to encourage the development of new forms of entertainment and presentation (excerpt from Sydney Opera House Trust Act, 1961).

In February 2007, the Trust reviewed and individually signed a Code of Conduct for Trustees which covered the following: accountability for decision making and expenditure, use of public resources and information, official spokesperson for the Trust, gifts and benefits, disclosure of interests, managing conflicts of interest and reporting suspected corrupt conduct.

### The Trust

The Sydney Opera House Trust consists of 10 members appointed by the Governor on the nomination of the Minister. A Trustee holds office for three years and is eligible for reappointment for no more than three consecutive terms. The Trust must include at least two persons who have knowledge of, or experience in, the performing arts.

On 15 November 2006, Ms Sue Natrass AO and Mr Evan Williams AM replaced Ms Rachel Healy and Ms Gail Burke, respectively, as Trustees. Mr Wesley Enoch joined the Trust from 1 January 2007 replacing Ms Rhoda Roberts. Trustees re-appointed to the Trust included Ms Barbara Ward and Mr John Ballard. Mr Dennis Watkins, a past Trustee, continued as Chair of the Conservation Council.

Committees, their membership, frequency of meetings and attendance figures for the year are set out below. The figure directly following the Trustee's name is the number of meetings attended during the year and the figure in brackets indicates the number of possible attendances. All absences were formally noted and Trustees were excused from attending the specific meetings.

With key strategic and business items on the agenda, the Trust met seven times. Agenda items encompassed: overall business performance monitoring; a new strategic plan for the enterprise; review and endorsement of the annual business plan and Strategic Asset Management Plan; strategic goal presentations; philanthropy; brand strategy; Vienna Philharmonic program, Opera Theatre renewal, Disability Access Plan annual review, Accessibility and Western Foyers project; Place of Public Entertainment Licence; Information Systems Strategic Plan approval; Enterprise Agreement 2007; World Heritage Listing and the APEC summit. **Attendance at Trust meetings was as follows:** Kim Williams AM 7 (7), Renata Kaldor AO 7 (7), Jacqueline Kott 7 (7), Robert Leece AM 4 (7), Sue Natrass AO 3 (3), Leo Schofield AM 6 (7), Barbara Ward 5 (7) and Evan Williams AM 3 (3).

In addition, a whole of Trust Planning Session was held in February 2007 attended by Trustees and the Executive Team. The focus of the session was on performance management and priorities; key strategic issues, financial planning and the strategic plan framework; performing arts; building and facilities; commercial activities including tourism and food and beverage, philanthropy and new business.

### Risk Management Committee

The Risk Management Committee ensures that Sydney Opera House obligations are met on financial reporting, internal controls and risk management. It also ensures compliance with all laws, regulations and codes.

Six meetings were held this year with key agenda items including: review of business performance; internal audit reports: Revenue Assurance and Self-Funded Productions; commercial food and beverage; retail outlets; the internal audit plan for 2006/7; Tourism Project risk mitigation; progress with a revised *Adventures 2007* performing arts program; progress with 2006/8 Information Systems Strategic Plan; the Vienna Philharmonic program business case, the APEC summit contract terms, Access Economics Research on the value of Sydney Opera House to the economics of Sydney and New South Wales; Quarterly Business Reviews; Contract Variations; International Visits and Occupational Health and Safety. **Attendance at Risk Management Committee meetings was as follows:** Trustees: Barbara Ward 6 (6), Kim Williams AM 6 (6) and Sue Natrass AO 2 (3).

### Building Committee

The Building Committee provides guidance to the Trust on the implementation of the Venue Improvement Plan and other building projects, to ensure that all design and construction is consistent with the Utzon Design Principles, the Conservation Plan and heritage requirements. It also ensures that proper controls are in place during all stages of project development and execution.

Six meetings were held this year, with key agenda items including the Forecourt Infrastructure, Western Foyers and Escalators, Smoke Management, Place of Public Entertainment compliance, Concert Hall Acoustics, Opera Theatre Renewal, Lighting Masterplan, Food and Beverage Masterplan, Strategic Asset Maintenance. **Attendance at Building Committee meetings was as follows:** Trustees: Robert Leece AM 6 (6), Kim Williams AM 2 (6), Leo Schofield AM 1 (4), Evan Williams AM 1 (2). **Management:** Norman Gillespie 6 (6), David Antaw 4 (4), Greg McTaggart 6 (6) and Lindsay Kelly 1 (2).

### Conservation Council

The Conservation Council provides recommendations to the Trust on the preservation, conservation and development of the building and site. Four meetings were held this year, with key agenda items including Conservation Management and issues relating to World Heritage Listing.

**Attendance at Conservation Council Meetings was as follows:** Trustees: Renata Kaldor AO 0 (4), Jacqueline Kott 4 (4); **Management:** Maria Sykes 2 (2), Paul Akhurst 3 (4) and Greg McTaggart 2 (2). External Specialists: Dennis Watkins 4 (4), Joan Domicelj 3 (3), Peter Mould 4 (4), John Tansey 3 (4) and Edward Trueman 4 (4).



### Philanthropy Committee

The Philanthropy Committee commenced on 6 October 2006 and is responsible for defining the scope and framework of the Philanthropy Program and ensuring obligations are met regarding compliance with relevant laws and regulations, monitoring the implementation of the program and leading the development of a culture within Sydney Opera House that will ensure the long-term sustainable capacity to attract and maintain private gift support.

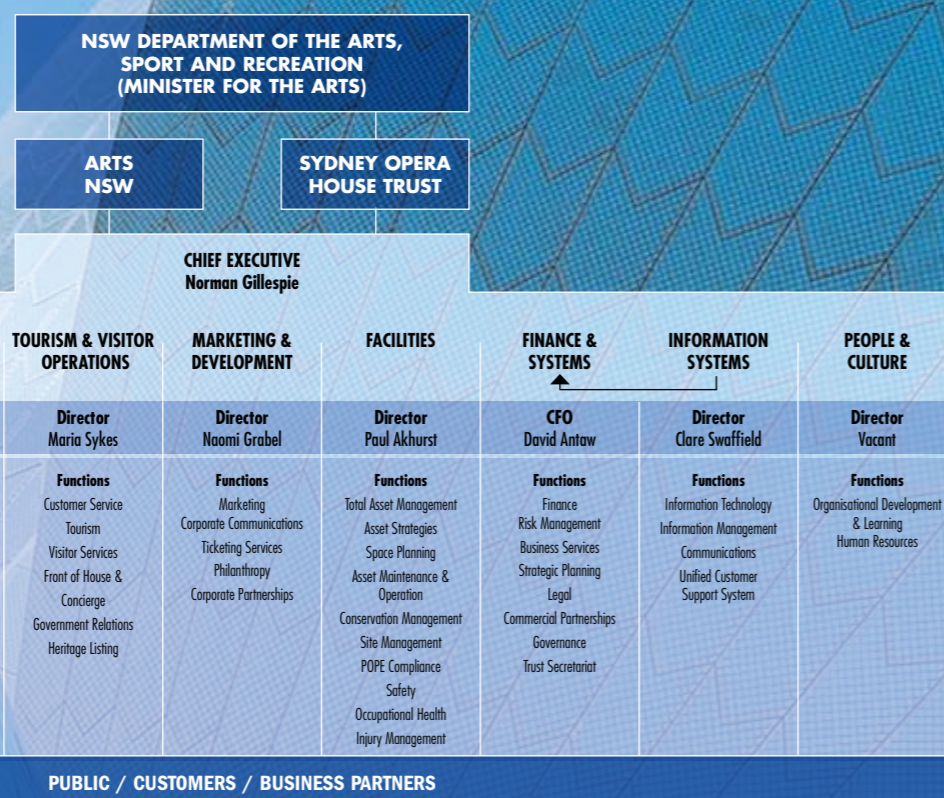
Three meetings have been held with key agenda items, including set up and implementation of the Annual Fund, Leadership Circle; Fundraising Licences, Tax Charity Status and Restricted Gifts Policy. **Attendance at Philanthropy Committee Meetings was as follows:** Trustees: John Ballard 3 (3), Kim Williams AM 2 (3), Renata Kaldor AO 2 (3) and Leo Schofield AM 2 (3). **Management:** Norman Gillespie 3 (3), David Antaw 2 (3), Naomi Grabel 3 (3) and Lindsay Kelly 0 (1).

### Performance Review Committee

The Performance Review Committee assists the Trust with Executive Team performance, recruitment, remuneration and development; supports the Chief Executive and provides guidance with the Trust's role, performance and evaluation.

Three meetings were held this year. **Attendance at Performance Review Committee Meetings was as follows:** Trustees: Kim Williams AM 3 (3), John Ballard 3 (3), Renata Kaldor AO 2 (3), Robert Leece AM 1 (1) and Sue Natrass AO 3 (3).

ORGANISATION CHART AS AT JUNE 2007





**KIM WILLIAMS AM, B.Mus, CHAIRMAN**, appointed 2005, is Chief Executive of FOXTEL and a member of the Business Council of Australia. His previous roles have included positions such as Senior Executive at the Australian Broadcasting Corporation, Chief Executive of Southern Star Entertainment, Chief Executive of the Australian Film Commission, Chairman of Musica Viva Australia and Chief Executive of Fox Studios Australia. Kim also founded the Australian Film Finance Corporation in 1988 as well as being its inaugural Chairman. Until recently he was a Director on the Zoological Parks Board of NSW. Kim brings to Sydney Opera House diverse management, board and committee experience in the commercial and public sectors. Kim is Chair of the Sydney Opera House Trust and Performance Review Committee and a member of the Risk Management, Building and Philanthropy Committees.



**JOHN BALLARD, MBA, FAICD**, appointed 2000, is a Director at Fonterra Cooperative Group Ltd, Apparel Group Ltd, Gloria Jean Coffees and Magellan Flagship Fund Limited. John is also a Trustee of Pacific Equity Partners Fund. Prior to this, he was Chief Executive Officer and Managing Director of Southcorp, a Director of Woolworths Limited, CSR Limited and Chairman of Wattyl Limited. John has an MBA from Columbia University in New York with a major in Marketing and International Business, and has worked in Europe, Asia and Australia. John is Chair of the Philanthropy Committee and a member of the Performance Review Committee.



**WESLEY ENOCH**, appointed 2007, is a member of the Murri people of Southern Queensland. Wesley is currently Associate Artistic Director at Belvoir Street Theatre. Previously, he has been Artistic Director of Kooemba Jdarra Indigenous Performing Arts, an Associate Artist with the Queensland Theatre Company and a Resident Director with the Sydney Theatre Company. In 2002 Wesley was the recipient of a Cité International des Arts residency in Paris. He also won the 2005 Patrick White Playwright's Award for the play *The Story of the Miracles at Cookie's Table*.



**RENATA KALDOR AO, BA Dip Ed**, appointed 2005, is involved in Business, Education and Community Affairs. She is a Director of ASI. Renata was appointed to the Area Advisory Council of the Children's Hospital, Westmead in 2006. She was Deputy Chancellor of The University of Sydney, a Fellow of the University Senate and was awarded an Honorary Fellowship from University of Sydney in 2004. Renata has served as Chairperson of NSW Women's Advisory Council, a member of the Sydney Olympic Bid Committee, a director of NSW State Rail Authority and of The Garvan Medical Research Foundation. She was appointed to the Board of the Sydney Symphony Orchestra from 1996 to 2004. Renata is a member of the Conservation Council, Performance Review and Philanthropy Committees.



**JACQUELINE KOTT, BA, Hon Fellow, Hon D**, appointed 2002, has a long and illustrious career in theatre, film and television as an actor, teacher and administrator. She was the inaugural administrator of the Australian National Playwrights Conference, is a former member of the Australia Council, the Board of Management of the Seymour Theatre Centre, the Board of NIDA, and the advisory panel for the theatre department of the University of Western Sydney. After a lifetime of involvement with the performing arts, as a performer and audience, Jacqueline has a firm relationship with some of the Opera House's strategic partners and adds that to her venue management experience to serve the Sydney Opera House Trust. Jacqueline is also President of the Royal Hospital for Women Foundation. She is a member of the Conservation Council.



**ROBERT LEECE AM, RFD, BE, M.Eng.Sc, MBA, F.I.E.Aust, CPEng**, appointed 2002, recently retired as Chief Operating Officer, Tenix Pty Ltd and was formerly deputy Director-General of the Olympic Coordination Authority. Throughout his career he has been responsible for the successful development and construction of over \$10 billion of infrastructure and buildings in Australia. Robert is the Chair of the Building Committee.



**SUE NATRASS, AO**, appointed 2006, is Chair of the Collections Council of Australia Ltd, the Confederation of Australian International Arts Festivals and the M2007 World Swimming Championships Cultural Program Working Group. Sue is a Director of Federation Square, the Harold Mitchell Foundation, the Melbourne Football Club and the John Truscott Design Foundation. Sue is also on the board of management of The Theatre Royal Hobart, she is a Trustee of the Brian Stacey Memorial Trust and Melbourne Olympic Parks Trust. Sue was the Artistic Director of the Melbourne International Festival of the Arts, General Manager of the Victorian Arts Centre. Sue has been an Arts consultant since 2000. She was President and Life Member of the AEIA and was Chair of the Melbourne 2006 Commonwealth Games Cultural Working Group. Sue is a member of the Risk Management and Performance Review Committees.



**LEO SCHOFIELD AM**, appointed 2005, brings outstanding artistic, entrepreneurial and commercial expertise to the Trust. He is a former Director of Sydney Festival, Artistic Director of the Sydney 2000 Olympic and Paralympic cultural festivals, Artistic Director of the Melbourne International Festival of Arts (1994-1996), and Artistic Director of Sydney's New Year's Eve Celebrations (2002-2004). He has recently been involved in Australian debut presentations of a number of major international events and companies, including the Edinburgh Military Tattoo and the Paris Opera Ballet. He is also a well-known and respected journalist and a television broadcaster. He has worked closely with many arts organisations in a fundraising capacity and served nine years as a Trustee of the Powerhouse Museum in Sydney. Leo is a member of the Philanthropy Committee.



**BARBARA WARD, BEc, M. Pol. Econ**, appointed 1999, is Chairman of Country Energy and a Director of Allico Finance Group Limited and a Director of Lion Nathan Limited and Multiplex Limited. Barbara's balance of corporate and community experience reflects Sydney Opera House's goal to deliver financial results without compromising our cultural and community objectives. Barbara is Chair of the Risk Management Committee.



**EVAN WILLIAMS, AM**, appointed 2006, was head of the NSW Government's cultural sector from 1986 to 2001, when he was appointed a senior adviser in the NSW Cabinet Office. He has filled previous temporary vacancies on the Sydney Opera House Trust and served as a member of the Archives Authority of NSW and the Australian International Cultural Council, as well as on the boards of the Sydney Biennale and Sydney Festival. A Walkley Award-winning journalist and former newspaper editor, he has been a film critic of *The Australian* since 1981 and a member of the board of the Australian Chamber Orchestra since 2002. He was a speechwriter and arts adviser to the Hon. E.G. Whitlam from 1973 to 1977. Evan is a member of the Building Committee.





**NORMAN GILLESPIE, PhD, BA (Hons)**, appointed as Chief Executive in September 2002 and completes his term in August 2007. Norman's career reflects a unique mix of public service, business leadership of major public companies, and his promotion of and involvement with the Arts. Following a PhD in English Music Theatre, he spent four years in the UK Civil Service before pursuing a successful international business career through BP Amoco and Cable & Wireless. Prior to Sydney Opera House, he was Chief Financial Officer and Deputy CEO of Optus. Norman is a Director of Australia Business Arts Foundation (AbaF), Deputy Chairman of AbaF NSW and Deputy Chairman of the Australian Brandenburg Orchestra. Norman is a member of the Building and Philanthropy Committees.



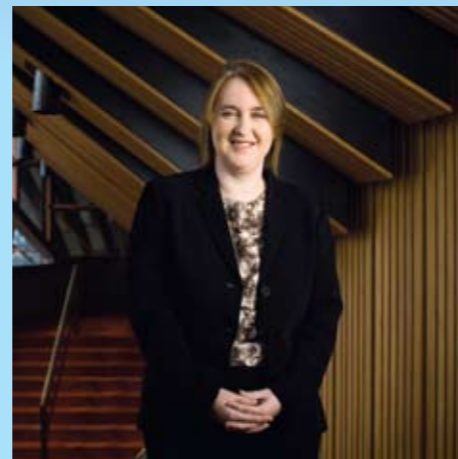
**PAUL AKHURST, BSc (Hons), MSt, MCIQB**, joined Sydney Opera House in 2000 and became Director, Facilities in 2004. Paul is responsible for facilities management and site safety. Paul has 23 years of experience in construction and facilities management in the UK and Australia. A member of the FMA, Paul has promoted our involvement in the Facilities Management Action Agenda and Cooperative Research Centre for Construction Innovation. Paul is a member of the Conservation Council.



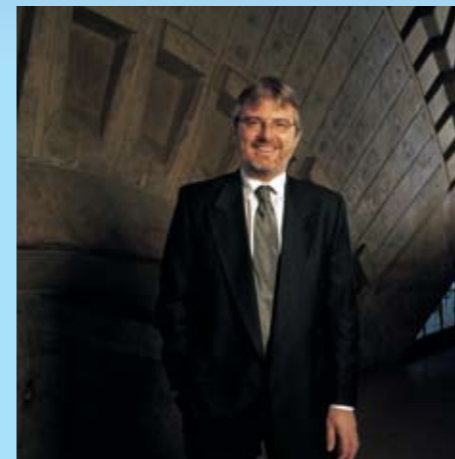
**DAVID ANTAW, B.Bus, M.Com, FCPA**, appointed to Sydney Opera House in October 2006 as Director, Finance and Systems and is responsible for finance, commercial operations, legal, business services, information technology, corporate planning and governance functions. David has substantial depth of public and private sector experience at a senior level. His previous role was General Manager Finance and Corporate Services at Energy Australia. David has also held various senior financial and business development roles with Pioneer International and Tubemakers of Australia and has significant mergers and acquisitions experience. He is a member of the Building and Philanthropy Committees.



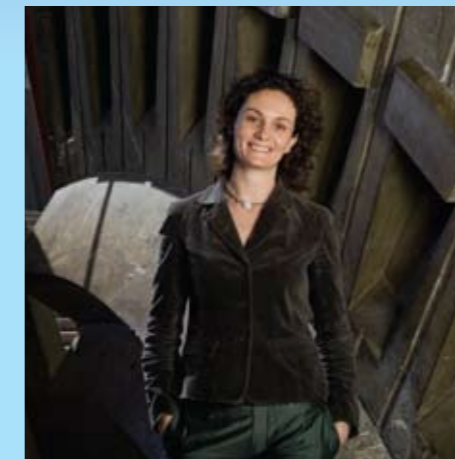
**NAOMI GRABEL, BA (Hons), MFA**, appointed as Director, Marketing and Development in January 2006. Naomi is responsible for marketing, ticketing, philanthropy, corporate partnerships and corporate communications. Naomi has over 15 years of experience in performing arts administration, with extensive experience in theatre management. A native New Yorker, her career has spanned both the non-profit and the commercial performing arts fields. Naomi was most recently Vice President, Marketing and Communications, at the Kimmel Center in Philadelphia. She has lectured extensively on arts management across the USA. Naomi served on a number of non-profit arts boards prior to relocating to Australia last year. Naomi is a member of the Philanthropy Committee.



**RACHEL HEALY, BA**, appointed as Director Performing Arts in November 2006, is the former General Manager of Company B at Belvoir Street Theatre. Rachel has been working in the performing arts for 18 years as a manager and producer. Rachel worked with The Australian Ballet, Handspan Theatre in Melbourne and Magpie Theatre, the youth wing of the State Theatre Company of South Australia. She has served on a number of arts boards, including Legs on the Wall, the Arts Industry Council (Victoria) and was Deputy Chair of the Theatre Board of the Australia Council. In 1998 she was awarded the inaugural Nugget Coombs Award for Arts Administration in the Young Manager category and in 2002 was awarded a fellowship from the Harvard Club of Australia to participate in a course in management of not-for-profit companies at Harvard Business School.



**JOE HORACEK, BA (Hons), MAHRI**, was appointed to the Sydney Opera House in 1992, Director People and Culture in October 2003 and resigned in May 2007. Joe was responsible for human resources, employee relations, organisation development and training and development. He has extensive experience across the Sydney Opera House and in a number of public sector and government business organisations managing organisation development, governance, strategic planning, disability access and customer service areas. From 1999 to 2002 Joe was Secretary-General of the Association of Asia Pacific Performing Arts Centers.



**CLAIRE SWAFFIELD, BA (Hons) ACA ICAEW**, appointed to Sydney Opera House in January 2003 and as Director of Information Systems in April 2006. Claire is responsible for the provision of strategic direction and project management oversight to the development of information management and technology resources. Claire has a strong track record of implementing technology projects in fast-changing environments. She has also worked for SingTel's Optus (previously Cable and Wireless Optus) in both financial strategic and business roles, in London and Australia. Claire is a qualified Chartered Accountant, complementing her Cambridge University degree in Theology.



**MARIA SYKES, BA (Hons)**, appointed to Sydney Opera House in 2002 and to the Director of Tourism & Visitor Operations in June 2005. Maria is responsible for tourism and customer relations, as well as managing Heritage projects. Maria has held various positions in the private and public sector, including policy roles in international affairs agencies in the UK. Maria moved to Sydney in 1995, and before joining Sydney Opera House held various policy roles in the NSW Cabinet Office, including economic development, arts and tourism policy, before heading up the Cabinet Secretariat to oversee the management of the Government's legislative program. Maria was a French Announcer for the 2000 and 2004 Olympic Games. Maria is a member of the Conservation Council.

# PEOPLE AND CULTURE

This year, we broadened the reach of our health and safety initiatives, with pleasing results. Improvements were recorded in our annual Employee Opinion Survey and we continued with our Workplace Giving Program. We continued to offer Indigenous traineeships and new training programs were introduced, designed to support a culture of *Live Performance Every Day* throughout the organisation.

## KEY OUTCOMES 2006/07

### Providing vital comparative data to determine our performance

**improvement**, our third Employee Opinion Survey was conducted this year. Measuring opinion across both management and employee-identified areas, the EOS is an important tool for determining how we can strengthen our organisational performance and for measuring our progress. It also ensures that employee views are both voiced and taken into account across areas such as career growth and development, morale and management, recognition, remuneration, customer service and planning.

Results from the 2007 survey indicate improvement across almost all dimensions since the full census in 2004. The Supervision dimension improved by up to 13% and other key areas of improvement were recorded in job design and performance and work relationships within teams. Our expertise in delivering our core business, customer service and promoting our iconic status were also widely noted. Areas identified for further development include cross-organisation communications, planning, management, performance recognition and review systems, and maintenance/equipment. These areas will be further examined through the discussion and action planning process at both the Executive and Portfolio levels to determine what is required within individual groups and across the organisation. Individual work groups have commenced actioning key areas.

### Recording steady improvement

**throughout the year**, health and safety continued to be an organisational priority. There was a substantial reduction in lost time due to injuries (down to 4.21 hours lost per thousand from 9.25 in 2005/6), in the number of Workers Compensation cases (down to 27 from 57 in 2005/6). There were two incidents notified to WorkCover neither involved personal injury. Improvements were directly attributable to initiatives introduced in collaboration with our business partners and action commenced under the NSW Government's 'Working Together' initiatives to reduce workplace injuries.

• **Meeting quarterly**, the OH&S Committee updated the OH&S Consultation policy, reviewed air-conditioning reports, conducted workplace inspections, discussed risk assessments and safe work procedures, reviewed training programs and developed the safety week program. The Committee consists of representatives from every portfolio, as well as from key groups and satellite work venues. Additionally, a weekly safety report was tabled and discussed at Executive Team meetings

• **Ensuring effective consultation between employees and employer** about decisions affecting the health, safety and welfare of all staff, our OH&S Consultation Policy extends to presenters, contractors

and others who work on site. It sets out training and safe work practices, as well as defining the roles of the OH&S Committee, managers and other representatives

• **Ensuring injured workers receive the assistance they need** to return to work as early as possible and that agreed strategy is fully operational, an injury management manual was instituted this year

• **Created to review the effectiveness of risk assessment processes**, a Safety and Emergency Planning Committee was set up

• **Broadening the focus on health and safety for all**, our Site Management Department conducted safety inductions for more than 1,300 people this year; a free Pilates and Yoga program was introduced for staff, with 255 classes held before and after work and during lunch; a free flu vaccination was again offered to staff, with a subsidised offer of \$10 per vaccine extended to contractor and hire staff

• **Adding to our repertoire of emergency skills**, a test of the emergency warning system was held weekly in addition to the annual emergency evacuation exercise and additional emergency procedures that were conducted with the co-operation of our presenting partners.

**Increasing their commitment to the Workplace Giving Program**, 72 staff this year personally donated a total of \$16,412 to Boys Town, Redkite, OzGreen and The Benevolent Society, receiving updates on the designated charities via a quarterly newsletter. A goal was set of 20% of staff donating through this program and we are currently at 12% participation. \$43,044 has been raised through the program since its launch in November 2004.

### Once again supporting increased participation in the arts by Indigenous people

our Indigenous Traineeships this year resulted in a further two trainees gaining nationally recognised qualifications. Since its introduction in 2000, 19 Indigenous people have been offered traineeship opportunities, with 17 having completed their course. Trainees work towards Certificate III in Entertainment through on-the-job experience and off-the-job training, gaining the skills and experience they need to enter the industry. A new trainee has been taken on in the events management area for a period of 12 months.

### Continuing to broaden our focus on learning and development

this year we delivered some 7,000 development hours (up from 6,000 in 2005/6). Programs encompassed organisation orientation, customer service, management development, information technology, safety and compliance, theatre technical training and tour guide training. A new 'Welcome Program' was launched in 2007 and is provided on a monthly basis to all new staff. It provides essential information

about working at Sydney Opera House and is contributing to building a culture of *Live Performance Every Day* with next year's focus to be on living those brand values.

**Building on the management and leadership capability framework** launched last year, a number of management programs were piloted this year. 10 people took part in the *Managerial Readiness* pilot, designed to instil an understanding of managerial roles and responsibilities, and 36 people took part in the *Manager as Coach* program, designed to help managers improve their staff development and coaching skills. Next year's focus will be to continue to build on our Leadership skills, and to enhance the strategic management skills of our Leadership teams.

**Focusing on the iconic service that Sydney Opera House** strives for, training workshops were conducted for Front of House, Visitor Services and Ticketing Services staff, to impart the knowledge, behaviours and skills required. Tour Management training was also provided for Foreign Language Guides, with a special orientation and role training program conducted for a new intake of Mandarin, Korean and Japanese Visitor Service Officers in March 2007. It focussed on how to deliver our brand promise by providing inspiring experiences to our guests.

**Supporting the launch of our new Essential Tour**, comprehensive training workshops for Visitor Service Officers were provided to ensure staff develop the skills to engender the active engagement of our customers. The workshops also offered staff the opportunity to gain formal recognition of their skills through provision of three Statements of Attainment as part of Certificate IV in Venues and Events (Customer Service).

**Following the signing of a new Enterprise Agreement**, staff received a pay increase of 4.48% effective from July 2006, with a further 4.44% from 1 July 2007 and another 4% from 1 July 2008. The agreement provides for improved practices, cost savings, roster flexibility and a scale penalty review and expires on 30 June 2009.

**Implementing further equal opportunity initiatives**, we demonstrated our ongoing commitment to a measurably fair workplace culture. Initiatives for this year are reported on pages 58 and 59 of this report. We have also submitted a separate EEO Annual Report to the Office of the Director of Equal Opportunity in Public Employment.

### FOUR YEAR COMPARISON OF STAFF AS AT 30 JUNE

	2007	2006	2005	2004
Total Permanent Staff	350	373	294	304
Equivalent Full-Time Permanent Staff	285.35	306.24	275.41	288.06
Total Non-Permanent Staff*	352	322	333	334
Equivalent Full-Time Non-Permanent Staff	151.67	144.21	121.88	111.54
<b>Total Full-Time Equivalent</b>	<b>437.02</b>	<b>450.45</b>	<b>397.3</b>	<b>399.6</b>

In August 2005 some 80 Front of House staff moved from casual to permanent status. New casual intakes of front line staff were also undertaken.

# FINANCIALS

## OPERATING RESULT

Sydney Opera House actively prioritises activities to maintain and grow reserves. The 2006/7 operating results was \$2.16m before depreciation and other building and maintenance activities. After allowing for \$1.85m investment in capital assets the operating cashflow was \$0.3m. Increased interest earnings and a promising start to philanthropy activities were key contributors to the profit and cashflow result.

Operating revenues grew by 31%, an increase of more than \$13.5m on the prior year:

- Commercial Programming activity increased substantially with a 150% increase in revenue to over \$9m
- Food and beverage revenues increased by 17%, following the continued popularity of offerings on site
- Tourism revenues grew by 24% due to a range of initiatives that saw total tour numbers increase to 328,224
- Venue based rentals and recoveries increased by 6%.

Sydney Opera House continued to play a key role in the support and development of new artists and diverse art forms:

- Over 600 performances were presented by the Producers Unit to an audience of more than 166,000
- Support was provided to a wide range of community events, including over 40 performances reaching an audience of more than 17,500.

Expenditure on these supported programming activities increased to \$7.4m, resulting in an overall investment of \$2.9m, net of related production income.

## BUILDING MANAGEMENT

The overall surplus from ordinary activities set out in the table below includes recognition of \$35.4m of Building Maintenance & Development Government grants - Strategic Asset maintenance \$20m, Smoke Management \$6m (both received in advance in 2005/06) and Venue Improvement \$9.4m.

The \$9.4m Venue Improvement Programme (VIP) capital funding is part of a \$69m package of funding approved by NSW Government in 2001/02. VIP Project achievements for 2006/07 included:

- Completion of upgrade to the Forecourt Infrastructure for external events
- Commencement of the construction of the Western Foyers Upgrade and Accessibility Project, which will result in lift access at the lower concourse, main arrivals concourse and Box Office levels, with escalators then carrying patrons up to the southern foyer level of the Concert Hall and Opera Theatre.

The 2006/07 Strategic Asset Maintenance grant of \$20m (received in 2005/06) funded the ongoing building maintenance requirements. 2006/07 maintenance expenditure totalled \$20.3m - of which \$6.4m was capitalised. Major works included the replacement of fire dampers, fire services upgrade and procurement of machinery used for moving stage equipment.

\$41.1m of Grants received in advance in 2006/07 are for 2007/08 Strategic Asset Maintenance (\$16.1m) and for major maintenance project (\$25m) for the upgrade of fire systems (\$8.5m) and refurbishment of the Parapet Wall, handrail, waterproof membrane and roadway (\$16.5m) from 2007/08.

The table below sets out the Operating and other activities of Sydney Opera House for 2006/07, assuming the early receipt of \$27.5m of 2006/07 Government Grants, and \$41.1m of 2007/08 Government Grants had not occurred.

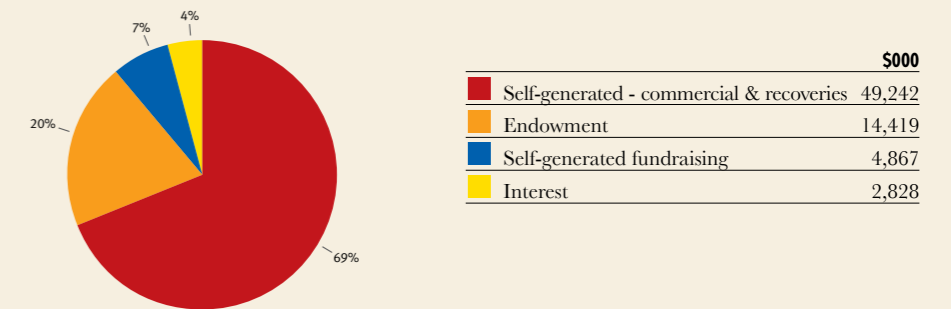
	2007 \$000	2006 \$000
<b>Operating Activities</b>		
<i>Revenues</i>		
Operating revenues	56,937	43,351
Government endowment	14,419	14,294
	71,356	57,645
<i>Expenses</i>		
Operating expenses	69,191	56,433
<b>Operating profit before depreciation and other activities</b>	<b>2,165</b>	<b>1,212</b>
Depreciation	18,395	9,798
<b>Net profit/(loss) including depreciation</b>	<b>(16,230)</b>	<b>(8,586)</b>
<b>Other Activities</b>		
<i>Revenues</i>		
Strategic asset management grants	19,979	19,627
Other capital grants	15,424	7,108
Asset-related revenues & adjustments	1,962	1,644
Appeal fund	10	8
	37,375	28,387
<i>Expenses</i>		
Decrease in prepaid superannuation	6	293
Building refurbishment & maintenance expenses	14,821	18,344
	14,827	18,637
<b>Surplus/(Deficit) from ordinary activities</b>	<b>6,318</b>	<b>1,164</b>

The significant increase in surplus from 2005/06 reflects early receipt of Government grants

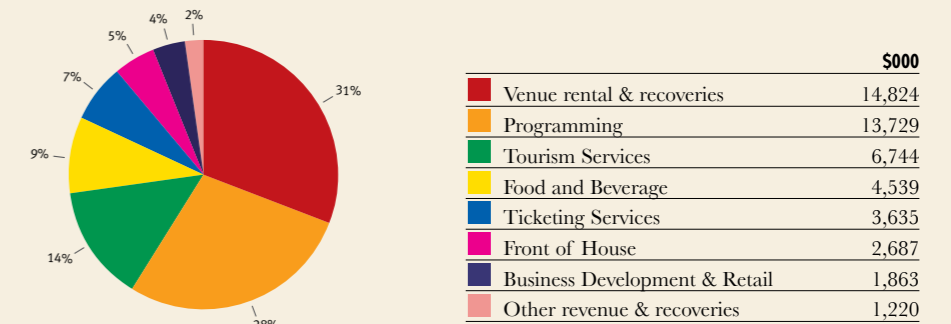
## RECONCILIATION OF ABOVE OPERATING RESULT TO THE AUDITED FINANCIAL REPORT

	2007 \$000	2006 \$000
Surplus/(Deficit) from ordinary activities	6,318	1,164
Advanced receipt of 06/07 Government Grants in 05/06	(27,250)	27,250
Advanced receipt of 07/08 Government Grants in 06/07	41,100	-
<b>Surplus for the year, as per Audited Financial Report Income Statement</b>	<b>20,168</b>	<b>28,414</b>

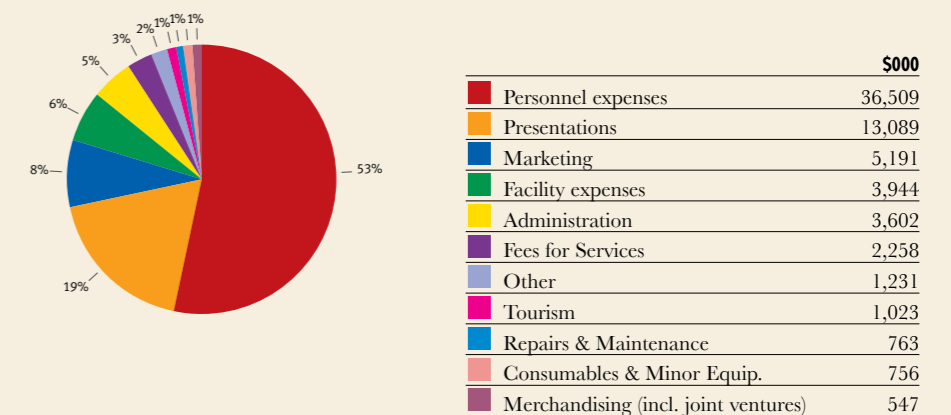
## SOURCES OF FUNDING FOR OPERATING ACTIVITIES



## COMMERCIAL REVENUE SOURCES



## OPERATING EXPENSES



INDEX

STATEMENT IN ACCORDANCE WITH SECTION 41C (1C)	37
INDEPENDENT AUDIT REPORT	38
INCOME STATEMENT	40
STATEMENT OF RECOGNISED INCOME AND EXPENSE	40
BALANCE SHEET	40
CASH FLOW STATEMENT	41
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT	41
1. Summary of Significant Accounting Policies	41
2. Income	44
3. Expenses	45
4. Trustees' Remuneration	46
5. Cash and Cash Equivalents	46
6. Trade and Other Receivables	46
7. Allowance for Impairment of Receivables	46
8. Inventory	46
9. Property, Plant and Equipment	46
10. Intangible Assets	47
11. Trade and Other Payables	47
12. Non-Current Provisions	50
13. Trust Funds	50
14. Interest in Joint Ventures	50
15. Movements in Equity	51
16. Commitments	51
17. Contingent Liabilities	
18. Contribution of Assets Received at No Cost or at Nominal Cost	51
19. Payments to Consultants	51
20. Financial Instruments	51
21. Derivative Financial Instruments	52
22. After Balance Date Events	52
23. Notes to the Statement of Cash Flows	52
BUDGET	
First Detailed Budget For The Year Ending 30 June 2007	53
Outline Budget For The Year Ending 30 June 2008	53

SYDNEY OPERA HOUSE TRUST

STATEMENT IN ACCORDANCE WITH SECTION 41C (1C) OF THE PUBLIC FINANCE AND AUDIT ACT, 1983 AND CHARITABLE FUNDRAISING ACT 1991

Pursuant to Section 41C of the Public Finance and Audit Act, 1983, and the Charitable Fundraising Act 1991, and in accordance with a resolution of the Sydney Opera House Trust, we being members of the Trust, state that:

1. In our opinion, the accompanying financial report exhibit a true and fair view of the financial position of the Sydney Opera House Trust as at 30 June 2007, and financial performance for the year then ended.
2. The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, the Public Finance and Audit Regulation 2005 and the Treasurer's Directions.
3. The provisions of the Charitable Fundraising Act 1991, the regulations under the Act and the conditions attached to the Trust have been complied with by the Trust.
4. The financial report gives a true and fair view of all income and expenditure with respect to fundraising appeals.
5. The balance sheet gives a true and fair view of the state of affairs of the Trust with respect to fundraising appeals.
6. The internal controls exercised by the Trust are appropriate and effective in accounting for all income received and applied by the Trust from any of its fundraising appeals.

Further, we are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate.



KIM WILLIAMS AM  
CHAIRMAN



BARBARA WARD  
CHAIR, RISK MANAGEMENT COMMITTEE

SYDNEY  
3 OCTOBER 2007



GPO BOX 12  
SYDNEY NSW 2001

## INDEPENDENT AUDIT REPORT SYDNEY OPERA HOUSE TRUST

To Members of the New South Wales Parliament

### Report on the Financial Report

I have audited the accompanying financial report of the Sydney Opera House Trust (the Trust), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the Trustees' statement.

### Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Trust as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2005
- is in accordance with the Charitable Fundraising Act 1991 (CF Act), including showing a true and fair view of the Trust's financial result of fundraising appeals for the year ended 30 June 2007

### The Trustees' Responsibility for the Financial Report

The members of the Trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the CF Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does not provide assurance:

- about the future viability of the Trust,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

### Report on Other Aspects of the Charitable Fundraising Act 1991

I have audited the Trust's operations in order to express an opinion on the matters specified at sections 24(2)(b), 24(2)(c) and 24(2)(d) of the CF Act for the year ended 30 June 2007.

### Auditor's Opinion

In my opinion:

- the ledgers and associated records of the Trust have been properly kept during the year in accordance with the CF Act and the Charitable Fundraising Regulation 2003 (the CF Regulation) [section 24(2)(b)],
- money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the CF Act and the CF Regulation [section 24(2)(c)], and
- there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due [section 24(2)(d)].

### The Trustees' Responsibility for Compliance

The members of the Trust are responsible for ensuring compliance with the CF Act and the CF Regulation. This responsibility includes:

- establishing and maintaining internal control relevant to compliance with the CF Act and CF Regulation
- ensuring that all assets obtained during, or as a result of, a fundraising appeal are safeguarded and properly accounted for, and
- maintaining proper books of account and records.

### Auditor's Responsibility

My responsibility is to express an opinion on the matters specified at sections 24 (2)(b), 24 (2)(c), and 24 (2)(d) of the CF Act. I conducted my audit in accordance Australian Auditing Standards applicable to assurance engagements. These Auditing Standards require that I comply with relevant ethical requirements relating to assurance engagements and plan and perform the audit to obtain reasonable assurance whether there were any material breaches of compliance by the Trust.

An audit involves performing procedures to obtain audit evidence about the entity's compliance with the CF Act and CF Regulation and about its solvency. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material breaches of compliance. In making those risk assessments, the auditor considers internal control relevant to the entity's compliance in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

My procedures included examination, on a test basis, of evidence supporting the entity's solvency and its compliance with the CF Act and CF Regulation. These tests have not been performed continuously throughout the period, were not designed to detect all instances of non-compliance, and have not covered any other provisions of the CF Act and CF Regulation apart from those specified.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Independence

In conducting these audits, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.

Peter Carr FCPA  
Director, Financial Audit Services

5 October 2007  
SYDNEY

**BEGINNING OF AUDITED FINANCIAL REPORT**

**INCOME STATEMENT  
for the year ended 30 June 2007**

	NOTE	2007 \$000	2006 \$000
<b>Income</b>			
Sale of goods and services income	2(a)	44,702	35,091
Share of net profits for joint ventures accounted for using the equity method	14	704	596
Investment income	2(b)	4,849	3,408
Grants and contributions	2(c)	5,312	3,359
Government contributions income	2(d)	63,672	68,279
<b>Total Income</b>		<b>119,239</b>	<b>110,733</b>
<b>Expenses</b>			
Personnel services expense	3(a)	37,213	32,757
Other expenses	3(b)	28,696	22,536
Maintenance expense	3(c)	14,701	17,126
Depreciation and amortisation expense	3(d)	18,461	9,900
<b>Total Expenses</b>		<b>99,071</b>	<b>82,319</b>
<b>Surplus for the Year</b>	15	<b>20,168</b>	<b>28,414</b>

**STATEMENT OF RECOGNISED INCOME AND EXPENSE  
for the year ended 30 June 2007**

	NOTE	2007 \$000	2006 \$000
Gain on revaluation of property, plant and equipment	15	-	1,047,713
Hedging reserve	21	-	63
Net income recognised directly in equity		-	1,047,776
Surplus for the period	15	20,168	28,414
<b>Total Recognised income and expense for the year</b>		<b>20,168</b>	<b>1,076,190</b>

The accompanying notes form part of this financial report.

**BALANCE SHEET  
as at 30 June 2007**

	NOTE	2007 \$000	2006 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	104,945	86,623
Trade and other receivables	6	6,397	3,826
Derivative financial instruments	21	-	1,183
Inventory	8	64	-
<b>Total Current Assets</b>		<b>111,406</b>	<b>91,632</b>
<b>Non-current Assets</b>			
Property, plant and equipment	9	1,823,465	1,821,127
Intangible assets	10	1,472	1,406
Investment accounted for using equity method	14	221	221
<b>Total Non-current Assets</b>		<b>1,825,158</b>	<b>1,822,754</b>
<b>Total Assets</b>		<b>1,936,564</b>	<b>1,914,386</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	21,282	18,180
Derivative financial instruments	21	-	1,120
<b>Total Current Liabilities</b>		<b>21,282</b>	<b>19,300</b>
<b>Non-current Liabilities</b>			
Trade and Other Payables	11	658	688
Provisions	12	338	217
<b>Total Non-Current Liabilities</b>		<b>996</b>	<b>905</b>
<b>Total Liabilities</b>		<b>22,278</b>	<b>20,205</b>
<b>Net Assets</b>		<b>1,914,286</b>	<b>1,894,181</b>
<b>EQUITY</b>			
Accumulated funds	15	264,128	243,960
Reserve	15	1,650,158	1,650,221
<b>Total Equity</b>		<b>1,914,286</b>	<b>1,894,181</b>

The accompanying notes form part of this financial report.

**CASH FLOW STATEMENT  
for the year ended 30 June 2007**

	NOTE	2007 \$000	2006 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Receipts from operations		55,881	45,260
Interest received		4,868	3,443
Cash flows from Government		63,672	68,279
<b>Total Receipts</b>		<b>124,421</b>	<b>116,982</b>
<b>Payments</b>			
Payments to suppliers and personnel service providers		(88,952)	(74,891)
<b>Total Payments</b>		<b>(88,952)</b>	<b>(74,891)</b>
<b>NET CASH INFLOWS PROVIDED BY OPERATING ACTIVITIES</b>	23(a)	<b>35,469</b>	<b>42,091</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(17,147)	(17,272)
Increase in joint venture investment			(77)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(17,147)</b>	<b>(17,349)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>18,322</b>	<b>24,742</b>
Cash and cash equivalents at the beginning of the financial year		86,623	61,881
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	23(b)	<b>104,945</b>	<b>86,623</b>

The accompanying notes form part of this financial report.

**SYDNEY OPERA HOUSE TRUST NOTES TO AND  
FORMING PART OF THE FINANCIAL REPORT  
for year ended 30 June 2007**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Reporting Entity**

The Sydney Opera House Trust is constituted as a body corporate by the Sydney Opera House Trust Act, 1961. It is designated as a transitional entity by the NSW Treasury and are required to use the not for profit accounting standards.

This financial report for the year ended 30 June 2007 has been authorised for issue by the Sydney Opera House Trust on 3 October 2007.

**(b) Basis of Preparation**

The financial report is a general purpose financial report which has been prepared on an accruals basis and in accordance with applicable Australian Equivalents to International Financial Reporting Standards (AEIFRS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the requirements of the Public Finance and Audit Act, 1983, and the Public Finance and Audit (General) Regulation, 2005, and Treasurer's Directions.

Property, plant and equipment, collection assets and financial assets at 'fair value through profit or loss' are measured at fair value. Other financial report items are prepared on an accrual basis and based on historical costs.

The Trust has kept proper accounts and records in relation to all of its operations in accordance with Section 41(1) of the Public Finance and Audit Act.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

Figures shown in the financial report have been rounded to the nearest \$1,000 and expressed in Australian currency, except in note 4 where amounts are stated in whole dollars.

**(c) Statement of Compliance**

The financial statements and notes comply with Australian Accounting Standards which include AEIFRS.

**(d) Designation of TCorp Hour-Glass Investment Facilities**

Any Hour Glass Investment facilities held by the Trust are short term unit trust investment funds managed by the NSW Treasury Corporation. The agency has been issued with a number of units in TCorp's Hour Glass Cash Facility Trust, based on the amount of the deposit and the unit value for the day.

Hour-Glass Investment facilities are designated at "fair value through profit or loss" using the second leg of the fair value option i.e. these cash equivalents are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about those assets is provided internally on that basis to the Sydney Opera House key management personnel.

**(e) Accounting for Goods & Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the Trust as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

**(f) Income Recognition**

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

**(i) Government Contributions**

Government contributions (including grants and donations) are recognised as income when the Trust obtains control over the assets. Control over Government contributions is obtained upon the receipt of cash.

**(ii) Sale of Goods**

Income from the sale of goods is recognised as income when the Trust transfers the significant risks and rewards of ownership of the assets.

**(iii) Rendering of Service**

Income is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

**(iv) Investment Income**

Interest income and T Corp Hour Glass Returns are recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement. TCorp Hour Glass distributions are recognised in accordance with AASB 118 when the Trust's right to receive payment is established. Rental income is recognised in accordance with AASB 117 Leases on a straight-line basis over the lease term. Royalty income is recognised in accordance with AASB 118 Revenue on an accrual basis in accordance with the substance of the relevant agreement.

**(v) Grants and Contributions**

Grants and contributions (including donations) are generally recognised as income, when the Trust obtains control over the assets comprising the grants and contributions. Control over grants and contributions is normally obtained when the obligations relating to the receipt have been met and in the case of donations on receipt of cash.

**(g) Loans and Receivables**

Loans and receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

**(h) Personnel Services and Other Provisions**

**i) Personnel Services Arrangements**

The Trust and the Department of the Arts, Sport and Recreation (DASR), entered into a Memorandum of Understanding effective from 1 July 2006 which sets out the arrangements for employment and payment of staff working at the Sydney Opera House which are considered employees of DASR. All payments to personnel and related obligations are done in DASR name and ABN and are classified as "Personnel Services" costs in these financial statements.

**ii) Personnel Services, Annual Leave, Sick Leave and On-costs**

Based on the memorandum and employment agreement with the Department of the Arts, Sport and Recreation, provisions are calculated as part of the personnel services and stated as a liability to the service provider, the Department of the Arts, Sport and Recreation. Provision is made for benefits accrued for personnel services (including non-monetary benefits), and annual leave that fall due wholly within 12 months of the reporting date are recognised and measured on a nominal basis.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to the provision of personnel services by the Department of the Arts, Sport and Recreation, are recognised as liabilities and expenses where the personnel services to which they relate, have been recognised.

**iii) Personnel Services, Annual Leave, Sick Leave and On-costs**

In the financial statements of the Department of the Arts, Sport and Recreation, long service leave is calculated in accordance with AASB 119 Employee Benefits for employees with 5 or more years of service, using current rates of pay. It is measured using an actuarial assessment with reference to the government bond rate of 6.25% to arrive at the reported value and a current liability. The Sydney Opera House Trust reports the equivalent expense and liability in its financial statements to reflect this provision of personnel services.

The superannuation expense for the financial year is determined by using the formulae specified in AASB 119. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the equivalent of employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the equivalent of employees' superannuation contributions.

Prepaid superannuation contributions are recognised as non-current assets in the Balance Sheet of the Department of the Arts, Sport and Recreation as required by AASB 119. Sydney Opera House Trust offsets the same value against the Personnel Services payable to the Department of the Arts, Sport and Recreation provided for under current liabilities.

**iv) Other Provisions**

Provisions for make good obligations are recognised when the Trust has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measure at the present value of management's best estimate of the expenditure required to settle the present obligation at balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risk specific to the liability.

**(i) Acquisition of Assets**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Trust. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

**(ii) Capitalisation Threshold**

Property, plant and equipment costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

**(k) Revaluation of Property, Plant and Equipment**

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 140 Investment Property.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Trust revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2006 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as Income in the surplus / deficit.

Revaluation decrements are recognised immediately as expenses in the surplus, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

**(l) Impairment of Property, Plant and Equipment**

As a transitional entity, reporting under the not-for-profit guidelines, the impairment testing requirements are modified under AASB 136. AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are deemed immaterial.

**(m) Intangible Assets**

The intangible assets held by Sydney Opera House Trust comprise software for internal use and is recognised at cost.

All intangible assets were assessed for impairment as at 30 June 2007. No intangible assets were found to be impaired.

**(n) Depreciation and Amortisation**

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Software is recognised as an intangible asset having a finite useful life and amortised on a straight line basis over 5 years.

Depreciation rates are shown hereunder:

Category of Assets	Rate of Depreciation %
Building services	10.0
Computer hardware	33.3
Plant and equipment	10.0
Office machines	20.0
Photographic equipment	33.3
Communications equipment	20.0
Theatrical equipment	10.0 & 20.0
Tools and test equipment	20.0
Forklifts	10.0
Grand Organ	1.0
Amortisation of leasehold improvements	20.0 & 33.3

**(o) Maintenance**

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

**(p) Investments**

Financial assets are initially recognised at fair value and the carrying expenses are recorded on the profit or loss, through transaction costs.

The Trust subsequently measures financial assets classified as held for trading at fair value through profit or loss. Gains or losses on these assets are recognised in the Income Statement. Assets intended to be held to maturity are subsequently measured at amortised cost using the effective interest method. Gains or losses on impairment or disposal of these assets are recognised in the Income Statement. Any residual investments that do not fall into any other category are accounted for as available for sale financial assets and measured at fair value directly in equity until disposed or impaired. All financial assets (except those measured at fair value through profit or loss) are subject to annual review for impairment.

Purchases or sales of financial assets under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the entity commits itself to purchase or sell the asset.

**(q) Sydney Opera House Appeal Fund**

The transactions of the Sydney Opera House Appeal Fund are reported within the Trust's financial report. The objectives, operations and activities of the Fund relate to the appeal for, and receipt of, gifts of money or other property to be used for works and acquisitions of items related to the performing arts and to the production, presentation, publication, promotion, preservation or housing of, or training in the performing and other branches of the arts.

**(r) Leased Assets**

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

The Trust has no finance leases.

Operating lease payments are charged to the Income Statement in the periods in which they are incurred.

The cost of improvement to or on leasehold property is capitalised and disclosed as leasehold improvements and amortised over the unexpired period of the lease term.

Leasehold decommissioning costs have been capitalised and expensed where the Sydney Opera House Trust are contractually bound to restore the leased premises upon lease expiry. The asset and provision for decommissioning costs represents the present value of the directors' best estimate of the future sacrifice of economic benefits that will be required to restore the leased premises to their original condition. The estimate has been made on the basis of market value on commercially leased property. The unexpired terms of the premises lease range from 2 to 3 years.

(s) **Other Assets**

Other assets are recognised on a cost basis.

(t) **Payables**

These amounts represent liabilities for goods and services provided to the Trust and other amounts, including interest, advance ticket sales and other income in advance. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(u) **Joint Ventures**

The Trust's interests in joint ventures are determined as joint venture entities and accounted for using the equity method. The Trust's share of income, expenses, liabilities and assets of the joint venture is disclosed in the notes. A joint venture entity is where entities separate from the ventures are established to undertake a joint activity.

(v) **Bequests and Special Funds**

The Trust receives donations, the aggregate of these contributions received for the year has been stated as income in the Trust Funds income and expenditure statement in note 13. These incomes provide for expenditure in the current year and in future years. Any incomes unspent in the current year have been carried forward for appropriate expenditure in future years.

(w) **Inventories**

Stores and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business.

(x) **New Accounting Standards and Interpretations**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 reporting periods. The following new Accounting Standards and Interpretations have not yet been adopted and are not yet effective. The impact is not fully known or reasonably estimable.

- AASB 7 Financial Instruments: Disclosure (1 January 2007) and AASB 2005-10 Amendments to Australian Accounting Standards (1 January 2007)
- AASB 8 Operating Segments (1 January 2009) and AASB 2007-3 Amendments to Australian Accounting Standards from AASB 8 (1 January 2009)
- AASB 101 Presentation of Financial Statements (1 January 2007)
- AASB 123 Borrowing Costs (1 January 2009) and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (1 January 2009)
- AASB 1049 Financial Reporting of General Government Sectors by Government (1 July 2008)
- AASB 2007-4 Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments (1 July 2007)
- AASB 2007-5 Amendments to Australian Accounting Standard - Inventories Held for Distribution by Not-for-Profit Entities (1 July 2007)
- Interpretation 4 Determining whether an Arrangement contains a Lease (1 January 2008)

**2. INCOME**

	2007 \$000	2006 \$000
<b>(a) Sales of goods and services</b>		
Theatre services	8,956	8,326
Venue rentals	6,446	6,713
Production income	13,571	6,315
Guided tours	5,685	4,012
Booking fees and charges	3,383	2,897
Outsourced food and beverage	4,083	3,438
Tourism packages and events	1,223	1,575
Miscellaneous income	1,039	1,499
Outsourced merchandising, licensing & retail	316	316
	44,702	35,091
<b>(b) Investment income</b>		
Interest-Bank	118	85
Interest-Investment	4,731	3,323
	4,849	3,408
<b>(c) Grants and Contributions</b>		
In-kind sponsorship	2,077	1,338
Cash sponsorship	2,202	1,539
Work of art contribution	-	65
Fixed assets contribution	269	-
Cash Donations	474	18
In-kind donations	250	310
Grants other	40	89
	5,312	3,359
<b>(d) Government Contributions Income</b>		
<b>Recurrent</b>		
Annual endowment	13,148	15,565
	13,148	15,565
<b>Capital and Maintenance</b>		
Strategic Asset Maintenance	16,100	39,606
Other Major Projects	9,424	13,108
Major Maintenance Work	25,000	-
	50,524	52,714
	63,672	68,279

Government contributions income received in 2007 includes grants for 2006/07 and the advance receipt of \$41.1m of 2007/08 grants, as follows:

FY 2007	2007 Govt Contributions \$000	2008 Govt Contributions \$000	Total Govt Contributions \$000
Recurrent - Annual Endowment	13,148*	-	13,148
Capital - Strategic Asset Maintenance	-	16,100	16,100
Capital - Other Major Projects	9,424	-	9,424
Capital - Major Maintenance Work	-	25,000	25,000
	22,572	41,100	63,672

\* A total endowment grant for 2006/07 of \$14.419m was paid \$1.271m in 2005/06 and \$13.148m in 2006/07.

Government contributions income received in 2006 includes grants for 2005/06 and the advance receipt of \$27.2m of 2006/07 grants, as follows:

FY 2006	2006 Govt Contributions \$000	2007 Govt Contributions \$000	Total Govt Contributions \$000
Recurrent - Annual Endowment	14,294	1,271	15,565
Capital - Strategic Asset Maintenance	19,627	19,979	39,606
Capital - Other Major Projects	7,108	-	7,108
Capital - Western Theatres			
Smoke Management	-	6,000	6,000
	41,029	27,250	68,279

**3. EXPENSES**

	2007 \$000	2006 \$000
<b>(a) Personnel Services Expenses</b>		
All of the Sydney Opera House's personnel services are provided by the Department of the Arts, Sport and Recreation except for temporary assistance which is included below:		
Salary, wages and allowances (including recreation leave)	29,986	26,092
Penalty rates	3,281	3,134
Superannuation-Defined Benefits	447	539
Superannuation-Defined Contribution	2,291	2,055
Superannuation-Decrease/(Increase) in Prepaid Position	6	293
Payroll tax and fringe benefits tax	2,307	2,011
Overtime	1,104	1,225
Workers compensation insurance	1,412	757
Redundancies	799	1,197
Other Expenses	97	97
	41,730	37,400
Less charged to maintenance	4,517	4,643
	37,213	32,757
<b>(b) Other Expenses</b>		
Artist fees and presentation expenses	9,413	4,386
Fees for services rendered	2,535	3,324
Publicity and advertising	4,970	3,583
Utilities and cleaning	3,544	3,219
Administration expenses	3,542	2,627
Consumables and minor equipment	1,385	1,666
Tourism packages and events	1,023	1,216
Building and general insurance	803	888
Bank and credit card charges	540	508
Training	216	646
Rent payments on operating leases	464	284
Gain/Loss on disposal of fixed assets	180	125
Bad and doubtful debt expense	21	12
Audit fee – audit of financial report	60	52
	28,696	22,536
<b>(c) Maintenance</b>		
Computer hardware maintenance	141	187
Software and network maintenance	330	347
Personnel services maintenance charge	4,517	4,643
Building and equipment repairs and maintenance	9,713	11,949
	14,701	17,126
<b>(d) Depreciation and Amortisation</b>		
<b>Depreciation</b>		
Building and building services	8,945	4,423
Plant and equipment	8,938	5,057
	17,883	9,480
<b>Amortisation</b>		
Intangible Assets	511	318
<b>Provision</b>		
Lease Make Good Expense	67	102
	18,461	9,900



**4. TRUSTEES' REMUNERATION**

Trustees' remuneration is based on the following rates:

	2007 \$	2006 \$
Chairman	2,465	2,465
Trustees	1,460	1,460

The emoluments paid to the Trustees during the year totalled \$5,919 (\$15,605 in 2005/06). The Trustees resolved to cease being remunerated from 1 January 2007.

**5. CASH AND CASH EQUIVALENTS**

	2007 \$000	2006 \$000
Cash on hand	42	42
Cash at bank	1,758	365
Hour-Glass cash facilities	57,473	80,406
Short term money market deposits	45,559	-
NSW Treasury Corporation short term investments	113	5,810
	104,945	86,623

**6. TRADE AND OTHER RECEIVABLES**

	2007 \$000	2006 \$000
Trade receivables	3,478	1,737
Allowance for impairment of receivables	(91)	(70)
Accrued revenue	944	786
Prepayments	436	743
GST input credits	1,312	459
Other receivables	318	171
	6,397	3,826

**7. ALLOWANCE FOR IMPAIRMENT OF RECEIVABLES**

Transactions on the allowance for impairment of receivables account for the past two years were:

	2007 \$000	2006 \$000
Balance 1 July	(70)	(70)
Allowance for year	(21)	(12)
	(91)	(82)
Less: debts written off	-	12
Balance at 30 June	(91)	(70)

**8. INVENTORY**

Finished goods - at net realisable	64	-
Total inventory	64	-

**9. PROPERTY, PLANT AND EQUIPMENT**

	2007 \$000	2006 \$000
Land		
At fair value	75,000	75,000
Land - at fair value	75,000	75,000
Building and building services		
At fair value	1,725,566	1,721,776
Less accumulated depreciation/amortisation	50,285	41,287
Buildings and building services - at fair value	1,675,281	1,680,489
Land and Buildings - at fair value	1,750,281	1,755,489
Plant and Equipment		
At fair value	77,874	75,848
Less accumulated depreciation	39,199	30,679
Plant and equipment - at fair value	38,675	45,169
Collections - works of art - at fair value	4,765	4,765
Work in progress - at fair value	29,744	15,704
Property, plant and equipment - at fair value	1,823,465	1,821,127

**Reconciliations**

Reconciliation of the fair value of Property, Plant and Equipment are set out below:

2007	Land and Building \$000	Plant and Equipment \$000	Work in Progress \$000	Collections \$000	Total \$000
Fair value at start of year	1,755,489	45,169	15,704	4,765	1,821,127
Additions	1,639	1,801	17,382	-	20,822
Disposals	(21)	(156)	-	-	(177)
Reclassification	2,186	799	(3,342)	-	(357)
Make good	(67)	-	-	-	(67)
Depreciation	(8,945)	(8,938)	-	-	(17,883)
Fair value at end of year	1,750,281	38,675	29,744	4,765	1,823,465

The value of work in progress represents plant and equipment, roof lighting, security upgrade and the Venue Improvement Program capital works not completed at 30 June 2007.

The comparative reconciliation for the year ended 30 June 2006 is set out below:

2006	Land and Building \$000	Plant and Equipment \$000	Work in Progress \$000	Collections \$000	Total \$000
Fair value at start of year	722,484	20,795	20,176	3,396	766,851
Additions	6,778	5,158	4,037	80	16,053
Disposals	(6)	(111)	-	(8)	(125)
Reclassification	7,501	1,008	(8,509)	-	-
Revaluation	1,023,040	23,376	-	1,297	1,047,713
Make good	115	-	-	-	115
Depreciation	(4,423)	(5,057)	-	-	(9,480)
Fair value at end of year	1,755,489	45,169	15,704	4,765	1,821,127

The Building was revalued in 2006 by independent valuers as was plant and equipment and works of art.

Building fabric/structure and internal fit out were revalued by Rider Hunt Pty Ltd in 2006. An independent review of this valuation was completed by the Department of Commerce. The review supported the revaluation amounts.

Plant and equipment and building services were revalued by Hugh Parlane Consulting Pty Ltd in 2006. Collections were revalued by Sue Hewitt in 2006. Land was revalued in 2005 by Property Valuation Services Department of Commerce on the existing use basis.

**10. INTANGIBLE ASSETS**

	2007 \$000	2006 \$000
Software		
At cost	3,090	2,520
Less accumulated amortisation	1,618	1,114
Total Intangible Assets	1,472	1,406
Reconciliation of the fair value of Intangibles is set out below:		
Intangibles - fair value at start of year	1,406	456
Additions	223	1,268
Reclassification	357	-
Disposals	(3)	-
Depreciation	(511)	(318)
Intangibles - fair value at end of year	1,472	1,406

**11. TRADE AND OTHER PAYABLES**

	2007 \$000	2006 \$000
<b>CURRENT</b>		
Advance ticket sales	5,213	5,310
Hirers' deposits	318	409
Accrued expenses and other payables	9,220	5,647
Revenue in advance	855	1,199
Owing to personnel service providers	5,676	5,615
	21,282	18,180
<b>NON-CURRENT</b>		
Owing to personnel service providers	658	688
	658	688
<b>Owing to personnel service providers</b>		
Annual leave and leave loading	2,792	2,575
Long service leave - current	3,498	3,853
Redundancy	911	1,495
Prepaid Superannuation	(2,371)	(2,908)
Accrued salaries and wages	611	93
Fringe benefit tax payable	98	1
PAYG Withholding Payable	-	296
Payroll tax payable	137	210
Current - Owing to personnel service providers	5,676	5,615
Long service leave - non current	658	688
Non - Current - Owing to personnel service providers	658	688

**Prepaid Superannuation**

The funding position at 30 June 2007 in respect of the three defined benefits schemes related to personnel services received, namely the State Authorities Superannuation Scheme (SASS), the State Superannuation Scheme (SSS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS) has been advised by Pillar Administration:

Fund	Estimated Reserve Account Funds		Accrued Liability		Prepaid Contributions	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
SASS	7,340	7,335	7,196	7,109	143	226
SSS	55,517	48,776	53,346	46,180	2,171	2,596
SANCS	1,905	2,014	1,849	1,928	57	86
	64,762	58,125	62,391	55,217	2,371	2,908

**Prepaid Superannuation Disclosure Items 30 June 2007**

All references are to the July 2006 version of AASB 119.

**Accounting policy for recognising actuarial gains/losses - Paragraph 120A (a)**

Actuarial gains and losses are recognised in profit or loss in the year they occur.

**General description of the type of plan - Paragraph 120A (b)**

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

Police Superannuation Scheme (PSS)

State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the Schemes are closed to new members.

**Reconciliation of the assets and liabilities recognised in the balance sheet - Paragraph 120A (c)**

Financial Year to 30 June 2007	SASS 2007 \$000	SANCS 2007 \$000	SSS 2007 \$000
Present value of defined benefit obligations	5,525	1,185	28,054
Fair value of plan assets	(7,339)	(1,905)	(55,517)
	(1,814)	(720)	(27,463)
Surplus in excess of recovery available from schemes	1,671	663	25,292
Unrecognised past service cost			
Net (asset)/liability to be disclosed in balance sheet	(143)	(57)	(2,171)

**Assets invested in entity or in property occupied by the entity – Paragraph 120A (d) and (f)**

All fund assets are invested by STC at arm's length through independent fund managers.

**Movement in net asset recognised in balance sheet**

Financial Year to 30 June 2007	SASS 2007 \$000	SANCS 2007 \$000	SSS 2007 \$000
Net asset at start of year	(226)	(86)	(2,596)
Net expense recognised in the income statement	83	29	425
Contributions	-	-	-
Net asset to be disclosed in balance sheet	(143)	(57)	(2,171)

**Total expense recognised in income statement – Paragraph 120A (g)**

Financial Year to 30 June 2007	SASS 2007 \$000	SANCS 2007 \$000	SSS 2007 \$000
Current service cost	231	77	123
Interest on obligation	316	75	1,633
Expected return on plan assets	(543)	(148)	(3,663)
Net actuarial losses (gains) recognised in year	(34)	(45)	(5,042)
Change in surplus in excess of recovery available from scheme	112	70	7,373
Past service cost	-	-	-
Losses (gains) on curtailments and settlements	-	-	-
Total included in "personnel services expense"	82	29	424

**Actual return on plan assets – Paragraph 120A (m)**

Financial Year to 30 June 2007	SASS 2007 \$000	SANCS 2007 \$000	SSS 2007 \$000
Actual return on plan assets	1,040	271	6,936

**Valuation method and principal actuarial assumptions at the reporting date – Paragraph 120A (n)**

*a) Valuation Method*

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

*b) Economic Assumptions*

	30 June 2007
Discount rate at 30 June	6.4% pa
Expected return on plan assets at 30 June	7.6%
Expected salary increases	4.0% pa to June 2008; 3.5% pa thereafter
Expected rate of CPI increase	2.5% pa

**Arrangements for employer contributions for funding – Paragraph AUS 121.1**

The following is a summary of the 30 June 2007 financial position of the Fund calculated in accordance with AAS 25 - Financial Reporting by Superannuation Plans.

Financial Year to 30 June 2007	SASS 2007 \$000	SANCS 2007 \$000	SSS 2007 \$000
Accrued benefits	5,474	1,173	25,170
Net market value of fund assets	(7,340)	(1,905)	(55,517)
Net surplus	(1,866)	(732)	(30,347)
Recommended contribution rates for the entity are:	SASS	SANCS	SSS
	Multiple of member contributions	% member salary	Multiple of member contributions
	0.00	0.00	0.00

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

The economic assumptions adopted for the current actuarial review of the Fund are:

**Weighted-average assumptions**

Expected rate of return on Fund assets	7.7% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

**Nature of asset/liability – Paragraph AUS 121.2**

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

**PREPAID SUPERANNUATION DISCLOSURE ITEMS 30 JUNE 2006**

All references are to the April 2006 version of AASB 119.

**Accounting policy for recognising actuarial gains/losses – Paragraph 120A (a)**

Actuarial gains and losses are recognised in profit or loss in the year they occur.

**General description of the type of plan – Paragraph 120(b)**

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

Police Superannuation Scheme (PSS)

State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership.

All the schemes are closed to new members.

**Reconciliation of the assets and liabilities recognised in the balance sheet – Paragraph 120A (c)**

Financial Year to 30 June 2006	SASS 2006 \$000	SANCS 2006 \$000	SSS 2006 \$000
Present value of defined benefit obligations	5,550	1,335	28,261
Fair value of plan assets	(7,335)	(2,014)	(48,776)
Sub total	(1,785)	(679)	(20,515)
Surplus in excess of recovery available from schemes	1,559	593	17,919
Unrecognised past service cost	-	-	-
Net asset to be disclosed in balance sheet	(226)	(86)	(2,596)

**Assets invested in entity or in property occupied by the entity – Paragraph 120A (d) and (f)**

All fund assets are invested by STC at arm's length through independent fund managers.

**Movement in net asset recognised in balance sheet – Paragraph 120(e)**

Financial Year to 30 June 2006	SASS 2006 \$000	SANCS 2006 \$000	SSS 2006 \$000
Net asset at start of year	(68)	(83)	(3,631)
Net expense recognised in the income statement	842	147	(115)
Contributions	(1,000)	(150)	1,150
Net asset to be disclosed in balance sheet	(226)	(86)	(2,596)

**Total expense recognised in income statement – Paragraph 120A (g)**

Financial Year to 30 June 2006	SASS 2006 \$000	SANCS 2006 \$000	SSS 2006 \$000
Current service cost	246	79	205
Interest on obligation	317	71	1,702
Expected return on fund assets	(412)	(124)	(3,267)
Net actuarial gains recognised in year	(718)	(290)	(8,621)
Change in surplus in excess of recovery available from scheme	1,409	410	9,866
Past service cost	-	-	-
Losses/(gains) on curtailments and settlements	-	-	-
Total included in "personnel services expense"	842	146	(115)

**Actual return on plan assets – Paragraph 120A (m)**

Financial Year to 30 June 2006	SASS 2006 \$000	SANCS 2006 \$000	SSS 2006 \$000
Actual return on plan assets	881	268	6,839

**Valuation method and principal actuarial assumptions at the reporting date – Paragraph 120A (n)**

*a) Valuation Method*

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

*b) Economic Assumptions*

	30 June 2006
Discount rate at 30 June	5.9% pa
Expected return on plan assets at 30 June	7.6%
Expected salary increases	4.0% pa to 2008 3.5% pa thereafter
Expected rate of CPI increase	2.5% pa

**Arrangements for employer contributions for funding – Paragraph AUS 121.1**

The following is a summary of the 30 June 2006 financial position of the Fund calculated in accordance with AAS 25 - Financial Reporting by Superannuation Plans.

Financial Year to 30 June 2006	SASS 2006 \$000	SANCS 2006 \$000	SSS 2006 \$000
Accrued benefits	5,358	1,270	23,997
Net market value of Fund assets	(7,335)	(2,014)	(48,776)
Net surplus	(1,977)	(744)	(24,779)
Recommended contribution rates for the entity are:	SASS	SANCS	SSS
	Multiple of member contributions	% member salary	Multiple of member contributions
	0.00	0.00	0.00

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

The economic assumptions adopted for the last actuarial review of the Fund were:

**Weighted-average assumptions**

Expected rate of return on Fund assets	7.7% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

**Nature of asset/liability – Paragraph AUS 121.2**

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

A contribution holiday was granted in respect of SASS, SSS and SANCS employer contributions during 2006/07. After adjusting for the contribution holiday, the sum of \$5,950 was credited (\$292,745 in 2006 was charged) to personnel service expenses in the Income Statement to reflect the assessment by Pillar Administration of the 2006/07 prepaid contribution amount.

## Financial Statements Continued

The 2006/07 recognition of the assessed prepayment resulted in a \$536,979 (\$873,726 in 2005/06) reduction to personnel service expenses in the Income Statement.

### 12. NON-CURRENT PROVISIONS

	2007 \$000	2006 \$000
Lease make good provisions	338	217
Total non-current provisions	338	217

### Reconciliations

Reconciliations of the fair value of Non-Current Provisions is set out below:

	2007 \$000	2006 \$000
Carrying amount at the start of the year	217	-
Additional provision recognised	121	217
Carrying amount at the end of the year	338	217

Under the lease agreements the Trust is required to reinstate the leased premises to the condition they were in at the commencement date.

### 13. TRUST FUNDS

#### (a) Annual Giving Program (Fundraising Appeal)

The Sydney Opera House Annual Giving Program's objectives are for the purpose of raising unrestricted operating revenue, focusing on education, performance and access initiatives.

The Trust launched its Annual Giving Fund in March 2007. It is a perpetual fund.

2007	Restricted \$000	Unrestricted \$000	Total \$000
Gross proceeds from fundraising appeals	138	336	474
Interest received on proceeds	-	2	2
Costs of fundraising	-	(94)	(94)
Application of funds	(17)	-	(17)
Net surplus from fundraising	121	244	365

In accordance with the Charitable Fundraising Act 1991, the following details are provided:

Cost of fundraising as a percentage of funds raised (excluding interest) 20%

Net surplus as a percentage of funds raised (excluding interest) 76%

#### (b) Foster Bequest

The Trust Deed relating to this bequest provides that income derived from investment of the funds may be applied to an award for study in fields relating to the training for, and performances of, the art of opera.

The balances of the Sydney Opera House Appeal Fund included with the Foster Bequest financial report were:

	2007 \$000	2006 \$000
Interest Income	5	5
Distribution	(5)	(5)
Surplus	-	-

#### (c) Sydney Opera House Appeal Fund

The Appeal Fund's objectives are:

- To appeal for and receive gifts of money or other property to be used in or towards the construction, beautification, improvement or furnishing of the Sydney Opera House or its environs; and
- To purchase or arrange for the construction of any musical instrument of other equipment of any nature whatsoever to be used in the Sydney Opera House or its environs; and

- To arrange for the acquisition of works of art or other such materials or equipment and to donate or assign the property together with any copyright and/ or rights of reproduction to the Sydney Opera House Trust; and

- To appeal for and receive gifts of money or other property for the production, presentation, publication, promotion, preservation or housing of, or training in any one or more of the following: literature, music, performing arts, visual arts, crafts, design, film, video, television, radio, community arts, Aboriginal arts or moveable cultural heritage.

The balances of the Sydney Opera House Appeal Fund included with the Trust's financial report were:

	2007 \$000	2006 \$000
Interest Income	10	8
Distribution	-	-
Surplus	10	8

### 14. INTEREST IN JOINT VENTURES

The Trust holds an interest in a joint venture. The joint venture has the principal activity of operation of souvenir merchandise shops.

Name of Joint Venture	Ownership Interest	
	2007	2006
Sydney Opera House Retail Joint Venture	75%	75%

	2007 \$000	2006 \$000
Trust share of income	2,246	2,135
Trust share of expense	(1,542)	(1,539)
Trust share of profit	704	596

#### Movement in Investment in Joint Ventures

	2007 \$000	2006 \$000
Carrying amount of investment at beginning of the financial year	221	144
Additional investment	-	93
Previous Joint Venture movement	-	(16)
Share of Profit	704	612
Distribution from joint venture entities	(576)	(551)
Undistributed profits as at year end	(128)	(61)
Carrying amount of investment at the end of the financial year	221	221

#### Share of Assets and Liabilities of Joint Venture Entities

	2007 \$000	2006 \$000
Current Assets		
Cash	181	309
Prepayments	1	6
Receivables	-	6
Inventory	574	202
Non-current Assets	15	17
Current Liabilities	(444)	(258)
Equity	(327)	(282)
Cash investment	221	221
Net Assets	221	221

Inventories are stated at the lower of cost and net realisable value. The cost is calculated using the first-in-first-out basis.

### 15. MOVEMENTS IN EQUITY

#### (a) Changes in accumulated funds

	2007 \$000	2006 \$000
Balance 1 July	243,960	215,546
Surplus	20,168	28,414
Balance 30 June	264,128	243,960

The unspent balance of the Annual Giving Program (refer note 13 (a)) was \$365k of which \$121k is restricted to specific objectives. The unspent balance of the Foster Bequest (refer note 13 (b)) was \$110k (\$110k for 2006) and the unspent balance of the Sydney Opera House Appeal Fund (refer note 13 (c)) was \$158k (\$148k for 2006).

#### (b) Changes in Asset Revaluation and Hedge Reserve

	Asset Revaluation Reserve		Hedge Reserve		Total	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Balance 1 July	1,650,158	602,445	63	-	1,650,221	602,445
Hedge Reserve	-	-	(63)	63	(63)	63
Increments on revaluation	-	1,047,713	-	-	-	1,047,713
Balance 30 June	1,650,158	1,650,158	-	63	1,650,158	1,650,221

The Hedge Reserve represents the unrealised gains/(losses) on forward foreign exchange contracts.

The Revaluation Reserve represents gains/(losses) arising on the revaluation of property, plant and equipment.

### 16. COMMITMENTS

#### (a) Goods and Services

Goods and services contracted for at 30 June but not recognised as liabilities is as follows:

	2007 \$000	2006 \$000
Payable:		
Within one year	9,468	10,588
Later than one year and not later than five years	475	-
Later than five years	-	-
Total including GST	9,943	10,588

Goods and services contracted for at year end are of a general business nature. The commitments include input tax credits of \$887,140 recoverable from the Australian Taxation Office (\$961,156 for 2006).

#### (b) Capital commitments

Capital expenditures contracted for at 30 June but not recognised as liabilities is as follows:

	2007 \$000	2006 \$000
Payable:		
Within one year	4,442	4,374
Later than one year and not later than five years	3,316	-
Later than five years	-	-
Total including GST	7,758	4,374

Capital commitments contracted for at year end relate to building development projects. The commitments include input tax credits of \$641,739 recoverable from the Australian Taxation Office (\$298,515 for 2006).

#### (c) Leases

Leases contracted for at 30 June but not recognised as liabilities is as follows:

	2007 \$000	2006 \$000
Payable:		
Within one year	1,046	423
Later than one year and not later than five years	2,816	491
Later than five years	-	-
Total including GST	3,862	914

The commitments include input tax credits of \$351,124 recoverable from the Australian Taxation Office (\$83,149 for 2006).

### 17. CONTINGENT LIABILITIES

There are no contingent liabilities.

### 18. CONTRIBUTION OF ASSETS RECEIVED AT NO COST OR AT NOMINAL COST

The Trust received the following asset contributions:

	2007 \$000	2006 \$000
Works of Art	-	65
Fixed Assets	269	-

### 19. PAYMENTS TO CONSULTANTS

In the year ending 30 June 2007, consultants were paid a total of \$1,014,941 (\$911,363 in 2006).

### 20. FINANCIAL INSTRUMENTS

The classes of financial instruments included in the Trust's financial report are set out below along with the terms, conditions and accounting policies applicable to these instruments as at 30 June 2007.

#### (a) Cash

Cash is recorded at nominal values for cash on hand and cash held in bank accounts. Interest is earned on daily bank balances. The interest rate at year-end was 5.25% per annum (4.75% in 2006).

#### Hour-Glass Investment Facilities

The Trust has short term investments in (New South Wales Treasury Corporation's) TCorp's Hour-Glass investment facilities. The Trust's investments are represented by a number of units in a cash facility. The deposits have varying maturity dates. TCorp appoints and monitors fund managers and establishes and monitors the application of appropriate investment guidelines.

The Trust's investments are:

	2007 \$000	2006 \$000
Cash Facility	57,473	80,406

The trustees consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values (2006: net fair value).

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

## Financial Statements Continued

- the fair value of derivative instruments, included in hedging assets and liabilities, are calculated using quoted prices. Where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments.

Transaction costs are included in the determination of net fair value.

The return for the year was 6.41% (5.69% in 2006).

### Authority Deposits

The Trust has placed funds on deposit with TCorp and Citibank. TCorp has been rated "AAA" and Citibank "AA" by Standard & Poors. These deposits are similar to money market or bank deposits and are placed for fixed terms. The interest rate payable by TCorp and Citibank is negotiated initially and is fixed for the term of the deposit.

	2007 Carrying Amount \$000	2007 Net Fair Value \$000	2006 Carrying Amount \$000	2006 Net Fair Value \$000
Less than one year	45,672	45,672	5,810	5,810

The deposits at balance date were earning an average interest rate of 6.65% (5.74% in 2006), while over the year the average interest rate was 6.16% (5.66% in 2006).

### (b) Receivables

All trade debtors are recognised as amounts receivable at balance date. The credit risk is the carrying amount (net of allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Invoices are issued on 30 day terms.

### (c) Payables

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers are settled in thirty days. If payment terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

## 21. DERIVATIVE FINANCIAL INSTRUMENTS

### Foreign Currency Risk Management

The Trust undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts to manage risk.

Basis adjustments are made to the carrying amounts of non-financial hedged items when the anticipated purchase transaction takes place.

The following table details the forward foreign currency hedge contracts outstanding as at reporting date:

Foreign Currency Forward Contracts	Exchange Rate AUD to Euro		Forward Rate Liability		Contract Value (at expiry)		Fair Value (asset)	
	2007	2006	2007	2006	2007	2005	2007	2006
€380,000 (Euro)								
Forward rate	- .6192	-	614	-	604	-	-	-
€380,000 (Euro)								
spot rate at FY end	- .5852	-	-	-	-	-	-	649
€312,590 (Euro)								
Forward rate	- .6177	-	506	-	497	-	-	-
€312,590 (Euro)								
spot rate at FY end	- .5852	-	-	-	-	-	-	534
Total			1,120	-	1,101	-	-	1,183

As at reporting date the aggregate amount of unrealised gain on forward foreign exchange contracts relating to anticipated future transactions is

\$nil (2006: \$63,000). In the prior year, these unrealised gains have been deferred in the hedging reserve to the extent the hedge is effective.

In the prior year The Sydney Opera House Trust entered into contracts for the purchase of €380,000 (expiry 30 August 2006) and €312,590 (expiry 27 September 2006). The entity entered into forward foreign exchange contracts for a specific performance to hedge the exchange rate risk arising from the anticipated future transaction. The transaction occurred in 2006/07 and was reflected in the Income Statement for this period.

### 22. AFTER BALANCE DATE EVENTS

There are no after balance date events.

### 23. NOTES TO THE STATEMENT OF CASH FLOWS

#### (a) Reconciliation of surplus from ordinary activities to net cash flows from operating activities.

	2007 \$000	2006 \$000
Surplus	20,168	28,414
Depreciation and amortisation	18,461	9,798
Capital –sponsorship & in-kind donations	(714)	(440)
Net loss on sale of plant and equipment	180	125
Increase in allowance for impairment of receivables	21	12
(Decrease)/ increase in payables	(1,630)	3,413
(Increase)/ decrease in receivables	(953)	769
(Increase) in inventories	(64)	-
NET CASH FROM OPERATING ACTIVITIES	35,469	42,091

#### (b) Reconciliation of cash

For the purpose of the Statement of Cash Flows, cash comprises cash on hand and at bank, NSW Treasury Corporation Hour-Glass cash facility and fixed short term investments. Cash at 30 June as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet (see note 5)

	2007 \$000	2006 \$000
Cash and cash equivalents	104,945	86,623

### END OF AUDITED FINANCIAL REPORT

## BUDGET

### FIRST DETAILED BUDGET FOR THE YEAR ENDING 30 JUNE 2007

INCOME	\$000
Theatre services	10,345
Venue rentals	7,458
Production revenue	11,228
Guided tours	5,994
Booking fees & charges	3,091
Outsourced Food & Beverage	3,515
Tourism packages and events	2,020
Miscellaneous revenue	669
Outsourced Merchandising, licensing & retail	314
Investment Revenue	3,552
In-kind sponsorship	647
Cash sponsorship	3,425
<b>Total from operations</b>	<b>52,258</b>
<b>Government grants</b>	
Annual endowment	14,419
Strategic Asset Maintenance	19,979
Venue Improvement Programme	9,424
Smoke Mgt upgrade	6,000
<b>Total government grants</b>	<b>49,882</b>
<b>TOTAL</b>	<b>102,080</b>

EXPENDITURE	\$000	\$000
Personnel Services	40,033	
Less charged to maintenance	5,181	
Sub total Personnel Services		34,852
Maintenance		16,011
Artist Fees and presentation expenses		10,810
Fees for services rendered		2,768
Publicity and advertising		4,248
Utilities and cleaning		3,446
Administration expenses		3,263
Consumables and minor equipment		1,462
Tourism packages and events		1,940
Building and general insurance		1,000
Bank and credit card charges		542
Training		406
Rent payments on operating leases		604
Audit fee – audit of financial report		65
<b>TOTAL</b>		<b>81,416</b>
<b>Deficit before Depreciation</b>		<b>20,664</b>
Depreciation and amortisation		17,647
<b>Deficit after Depreciation</b>		<b>3,017</b>
Share of net profits from joint venture		961
<b>Deficit from Ordinary Activities</b>		<b>3,978</b>

### OUTLINE BUDGET FOR THE YEAR ENDING 30 JUNE 2008

INCOME	\$000	
<b>Revenue from operations</b>		
Sale of goods and services	37,685	
Investment Revenue	3,529	
Other revenue	14,371	
Sub total (excl Joint Venture)	55,584	
<b>Government grants</b>		
Annual Endowment	14,274	
Strategic Asset Maintenance	23,039	
Sub total	37,313	
<b>TOTAL</b>	<b>92,897</b>	
<b>EXPENDITURE</b>	<b>\$000</b>	<b>\$000</b>
Personnel Services	43,001	
Less charged to maintenance	5,316	
<b>Sub total Personnel Services</b>		37,685
Other Expenses		29,672
Maintenance		19,179
<b>TOTAL</b>		<b>86,535</b>
<b>Surplus before Depreciation</b>		<b>6,362</b>
Depreciation and amortisation		19,838
<b>Surplus after Depreciation</b>		<b>(13,476)</b>
Share of net profits from joint venture		886
<b>Surplus from Ordinary Activities</b>		<b>(12,590)</b>

# GOVERNMENT REPORTING

## INDEX

Account Payment Performance Indicators	54
Code of Conduct	54
Consultants	55
Credit Card Use	55
Customer Experience	55
Disability Action Plan	57
Electronic Services Delivery	57
Energy Management	57
Equal Employment Opportunity	57
Ethnic Affairs	58
Freedom of Information	59
Heritage Management	60
Indigenous	60
Insurance	60
Investment Performance Measure	61
Land Title Holdings	61
Legal	61
Occupational Health and Safety	61
Overseas Travel	61
POPE Legislative Compliance	62
Privacy Management	62
Publications	62
Risk Management	63
Senior Executive Service	63
Wage and Salary Movements	63
Waste and Recycling Management	63
Women's Action Plan	63

## ACCOUNT PAYMENT PERFORMANCE INDICATORS

The schedule of accounts payable for the four quarters of the financial year and the amounts involved are as follows:

### Aged analysis at the end of each quarter

Quarter	Current (i.e. within due date) \$000	Less than 30 days overdue \$000	30 to 60 days overdue \$000	60 to 90 days overdue \$000	More than 90 days overdue \$000
September	9,925	147	71	27	21
December	13,211	120	9	1	0
March	12,481	186	61	11	13
June	17,829	135	48	0	0

### Accounts paid on time within each quarter

Quarter	Total Accounts Paid on Time			Total Amount Paid \$000
	Target %	Actual %	\$000	
September	92	96	9,925	10,191
December	92	99	13,211	13,341
March	92	98	12,481	12,752
June	92	99	17,829	18,012

The number of accounts paid on time this year was 98% (93% in 2005/6). Management control procedures for the accounts payable function were strengthened during the year to improve processing efficiency and monitoring payment procedures. Actual performance improved to 99% in the quarter ended June 2007. There was no interest paid on creditor accounts during the 2006/7 financial year.

## CODE OF CONDUCT

The Code of Conduct contains guidelines to assist staff in the application of general principles to everyday work practices and is based on the following areas:

- individual performance and accountability
- commitment to our customers
- ethical standards including use of resources, conflict of interest, gifts and benefits and corrupt conduct
- fair and equitable behaviour
- a safe and secure work environment
- records and information including confidential information
- making public comment
- outside employment

Acts, Regulations and procedure documents.

The Code is provided to all staff prior to the commencement of employment and employment is conditional on acceptance of the Code of Conduct. It is also available to all staff through the Sydney Opera House intranet.

The Sydney Opera House Trustees also have a Trustee Code of Conduct which is reviewed and endorsed at the first Trust meeting of the calendar year. In addition to the staff Code of Conduct, it encompasses:

- accountability for public expenditure and decision making
- use of public resources
- use of official information
- official spokesperson for the Trust
- gifts and benefits
- disclosure of interests
- recognising and managing conflicts of interest
- reporting suspect corrupt conduct
- relevant legislation.

## CONSULTANTS

In accordance with NSW Government guidelines, projects for which consultants received more than \$30,000 are listed individually. Those that involved payments of \$30,000 or less are grouped under a total figure.

- Deloitte Touche Tohmatsu – Business Continuity Framework \$70,058
- Eclipse Group Pty Ltd – Content Management System Implementation \$120,400
- Hewlett Packard – Network Design, Exchange 2007 Implementation and Arts Exchange Network Optimisation \$70,600
- Institute of Executive Coaching Pty Ltd – Coaching Skills for Managers Program \$44,500
- Access Economics – Quantitative Analysis of Economic Impact of Sydney Opera House to Sydney, NSW and Australia \$76,500
- Logan Brewer Production – *High Tea at Sydney Opera House* Development \$55,509
- Gavin Anderson – Strategic Counsel, Stakeholder Communication, Government Engagement \$223,217
- Grenzebach, Glier & Associates – Development of comprehensive fundraising approach \$200,539.

In addition, 16 Consultancies of \$30,000 or less cost a total of \$153,618. The nature of these projects were: Information Technology (5), Management Services (2), Engineering (3), Training (2) and Other (4).

## CREDIT CARD USE

No irregularities in the use of corporate credit cards have been recorded during the year. I certify that to the best of my knowledge and belief credit card use for Sydney Opera House has been in accordance with Premier's Memoranda and Treasurer's Directions.

Sue Natrass AO  
Interim Chief Executive

## CUSTOMER EXPERIENCE

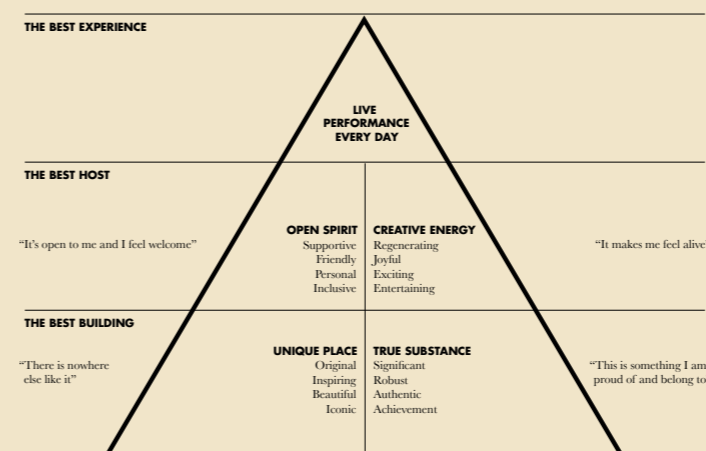
Sydney Opera House remains committed to being a customer-focused workplace where the customer is at the centre of all we do. There have been a number of new initiatives undertaken during the year as well as development of existing processes aimed at improving the customer experience.

### New Brand – Live Performance Every Day

Sydney Opera House has developed a new brand image along with a new brand

promise to Live Performance Every Day. This guiding principle builds on our commitment to our customers and describes both our core business (the work on our stages) as well as our individual approach and delivery of our roles. Whether we work with people internal or external to Sydney Opera House, *Live Performance Every Day* can be summed up in The Brand Pyramid below.

### THE BRAND PYRAMID



## Customer Service Team

The Customer Service Team (CST) is the peak Customer Service body at Sydney Opera House. The CST meets quarterly and is comprised of the Executive and key managers (Front of House, Food and Beverage, Tourism, Performing Arts, Marketing, Customer Service, Organisation Development and Learning) and is chaired by the Customer Service Manager.

The goal of the CST is to drive cultural change in order to create a House-wide service culture, in line with Sydney Opera House's *Commitment to Our Customers* and supporting the messages of the brand, particularly *Live Performance Every Day* and the 'Best Host' concept.

Previously, the CST was responsible for ensuring each portfolio had service standards specific to their portfolio roles, reviewed annually and revised as necessary, to reflect changes in strategic goals and business needs.

Currently, the CST has projects related to customer feedback, reward and recognition and staff induction.

### Sydney Opera House Host Team

We are in the process of creating a new front-line customer service team dedicated to providing an information and welcoming service to customers. The new Host Team will operate two Guest Services Desks, in the Box Office Foyer and at Stage Door, which will serve as primary contact points for visitors to the Sydney Opera House site raising awareness of the wide range of performances, experiences, products and services provided. Team members will also provide high-level customer support for hosting the *High Tea at Sydney Opera House* and VIP functions. In addition, the Host Team will contribute to servicing customer feedback by responding to it under the supervision of the Customer Service Manager. The Host Team will commence in September 2007.

### Sydney Opera House Courtesy Shuttle

We continue to operate our Courtesy Shuttle service, designed to transport less mobile and elderly patrons and visitors on the round trip between Circular Quay and Sydney Opera House. Usage continues to increase and feedback from customers using this service has been overwhelmingly positive. This year the shuttle service carried in excess of 13,000 passengers.

### Portfolio Customer Service Standards

The new Sydney Opera House Brand has led to further attention to the customer experience. The three principles – 'Best Host', 'Best Experience', 'Best Building' have been incorporated into the Tourism and Visitor Operations Portfolio customer services standards. These standards not only reflect the organisation-wide commitment to service excellence, but also make the values relevant to a portfolio's specific customer's needs. They are at the centre of the new *Front of House Handbook* which embeds service behaviours into operational tasks associated with specific roles and duties. They also inform and provide the foundation for the *Sydney Opera House Host Handbook* which sets out service behaviours and standards for the Host Team.

### Customer Research

*Adventures in the Dark August 2006 (Final Report)*

Undertaken by Woolcott Research, the study assessed the Adventures in the Dark program and positioning by examining the following:

- awareness and appeal of the program
- purchase decisions and purchase behaviour
- motivators and barriers to attendance
- satisfaction
- feedback against aspects of the value proposition
- customer profile.

The research design involved a mix of methodologies, both qualitative (series of eight mini-group discussions) and quantitative (self-completion and telephone interviews totalling 267).

The outcome of the research provided valuable feedback to the programming team regarding content, pricing and season duration, as well as to the marketing and communications approach, all of which have been taken into consideration for the new program.

## Government Reporting Continued

### Brand Research

Logo Evaluation December 2006

Undertaken by GA Research, this study aimed to identify which of the four potential new Sydney Opera House logos best meets the following criteria:

- hits the mark amongst target audiences – resonates
- exciting, bold and striking
- easy to comprehend
- an evolution not a revolution
- solves the current design issues by allowing greater flexibility
- clear and easily identifiable.

The research methodology was qualitative:

- two community focus groups containing a mix of frequent, regular and occasional attendees at Sydney Opera House events, ranging from 18 to 40+ years of age
- two community focus groups of infrequent and non-attendees containing a mix of people who regularly attend performances at other venues but who do not visit Sydney Opera House more than once a year, ranging from 18 to 40+ years of age
- one focus group of Sydney Opera House staff from across the organisation.

In summary:

- most people think of the sails as the Sydney Opera House logo and do not know what the actual logo looks like
- when they hear about the issues with the old logo, there is widespread support for change
- however, the sails are seen as a non-negotiable component of any new logo (preferably the profile view)
- the ‘steps’ option was seen as best meeting the criteria
  - it was chosen as first or second preference by all five groups
  - perceptions of it improved once people saw more applications and images of the related marketing campaign and when they understood it was designed to incorporate the Sydney Opera House steps
- it is the number one choice for two priority target audiences
  - regular attendees who are aged 41+ years of age
  - non-attendees who are aged 18–40.

### Customer Service Feedback

Sydney Opera House encourages feedback from its customers, both internal and external. This is achieved through a variety of methods:

#### Online Customer Satisfaction Survey

We continue to collect customer satisfaction data via the Online Survey on our website, [sydneyoperahouse.com](http://sydneyoperahouse.com). This survey is designed to measure the quality of the services provided. In the past 12 months over 1,100 visitors took the time to provide us with a rating of their experience.

The results of the survey show most service areas scoring 80% or better.

#### Online Customer Satisfaction Survey Results

	2006/07	2005/06
Overall, how would you rate your most recent visit to Sydney Opera House?	81%	82%
How would you rate the overall cleanliness and presentation of the site?	84%	84%
Performance Support Services - Ushers, Program Sellers, Security and Theatre Bars staff	82%	83%
Car park	69%	68%
Dining	73%	77%
Tours	82%	86%
Ticketing	81%	83%

### Overall unsolicited feedback 2003 to 2007

Type of Unsolicited Feedback	06/07	05/06	04/05	03/04	02/03
Negative	305	362	224	153	177
Positive	57	120	90	56	17
Suggestions	28	80	29	29	13

### Unsolicited feedback by category for 2006/07

This information is broken down even further in the table below to represent the type of feedback received in each major area.

Category	Positive	Negative	Suggestion
Presentations – SOH Presents	2	41	1
Presentations – Strategic Presenting Partners	3	27	2
Presentations – Other Presenters	2	21	1
Business Partners - Food and Beverage, Retail, Parking	2	46	3
Performance Related - Box Office, Front of House, Security	29	55	13
Wilson Parking Car Park	0	56	1
Tourism	11	9	1
Access	2	10	2
Site and Venue Presentation	3	24	2
Other	3	24	2
Total	57	305	28

This feedback is shared with relevant departments and organisations so that an appropriate response may be provided to the customer and improvements can be made. Feedback has also helped to shape policies and procedures in areas such as Security, Front of House, Tours and Box Office.

### Presenter Satisfaction Measurement Surveys

In early 2005 Sydney Opera House implemented a presenter satisfaction survey system. The principles that underpin this system are: pursuit of excellence, respect and understanding and mutual advantage.

We aim to achieve:

- High levels of customer satisfaction
- Demonstrated improvement in service levels over a period of time
- Improved working relationships, with issues resolved efficiently and effectively
- Improved business efficiencies resulting in enhanced financial stability for both organisations.

The system comprises a survey and review meetings conducted every six months or as agreed. Feedback is sought on event processes, technical services, front of house services, building facilities, safety, catering and other services provided by Sydney Opera House. Scoring ranks from 1 – total dissatisfaction, very inconsistent or unreliable service, vast improvement required to 7 – total satisfaction, no room for improvement.

This year surveys were conducted with Opera Australia, The Australian Ballet, Sydney Symphony and the Producer’s Unit. Areas that scored high (average 5.9 out of 7) included event and stage management staff, sound and audio visual skills and approach, venue hire bookings and relationship management, recording studio, first aid, theatre bars, stage management services, the website, and the new Recording Broadcast Allowance process.

Feedback was provided on specific areas requiring improvement (average score less than 4.0 out of 7), which included site access, occupational health and safety and backstage security. We took action to specifically understand issues of concern and then make improvements and we recorded a positive shift in the second round of surveys. Areas that showed the greatest improvement were invoicing, the website, joint marketing, and the customer database. Most surveyed areas remained constant or improved with only cost estimates showing a large decline in service satisfaction. This area is difficult to assess as some of the surveyed Presenters do not have cost estimates prepared for them at this time.

### DISABILITY ACTION PLAN

The current Sydney Opera House Access Strategic Plan 2005/8 was endorsed by the Sydney Opera House Trust in December 2005. The plan was developed following consultation with key stakeholders and disability access groups including Accessible Arts and the Human Rights and Equal Opportunity Commission. It aims to develop a range of policies and actions with the ultimate focus on customer service for all people who use, work and perform at Sydney Opera House.

The Plan, which is based on the principles outlined in the NSW Government Disability Policy framework, contains 62 projects and is focused on improving the accessibility of Sydney Opera House’s facilities and services, as well as providing leadership in accessibility for the performing arts industry.

It is designed to provide a strategic framework within which clear goals are set for improvement of accessibility to Sydney Opera House facilities, services and performance product for people with disabilities and for the measurement of progress towards those goals.

A new role of Program Manager, Accessibility was created to drive the success of the Access Strategic Plan and to provide advice and support on organisational access issues.

#### Achievements 2006/7

- commencement of the ‘Accessibility and Western Foyers’ project works packages encompassed the completion of designs for both the Bennelong Lift project (with a capacity for four wheelchairs) and the new accessible unisex toilet facility within the Western Foyers
  - funding approval was granted for the development of a Sydney Opera House Access Masterplan. The Masterplan will become an essential reference document to guide the design and implementation of all future physical access upgrades within the public, presenter and business partner areas of Sydney Opera House
  - completion of a Lighting Masterplan incorporated disability access requirements and standards
  - tailored accessibility awareness training for new customer-facing staff was conducted by external training provider Accessible Arts. Disability awareness sessions were integrated into the regular staff induction program ensuring all staff develop sensitivities around disability access issues
  - Sydney Opera House’s first public Access Guide was published communicating key access information for visitors with disabilities and carers. The Guide was also published in alternative formats including Braille, Large Print, CD and MP3 audio file versions
  - replacement of dated hearing loop facilities with a new FM hearing radio system was effected in all venues
  - Disability Access resource section was created on the staff intranet
  - *AART.BOX* was hosted in collaboration with Accessible Arts and NOISE, a collection of works by artists under 25 with a disability. Over 250 people attended the two-day exhibition in the Utzon Room, helping to raise awareness of the skills and talents of young members of the disability community
  - the Sydney Opera House Access Awards incentive program was launched. 16 people received awards in 2006, including staff and external partners. Key note speaker at the Awards launch, Dr Simon Darcy, Associate Professor in the Faculty of Business at UTS, presented: *Sydney Opera House: Access Market Potential in Globalised Environments*
  - International Day of People with Disabilities 2006 was celebrated with 131 people with disabilities and their carers participating in special discounted Access Tours offered from 29 November to 5 December 2006.
- Sydney Opera House, working in partnership with Vision Australia and the Sydney Theatre Company, provided audio described performances this year as follows:
- *I am my own Wife*, Sydney Theatre Company – Drama Theatre, two performances in September 2006
  - *Woman in Mind*, Sydney Theatre Company – Drama Theatre, two performances in November 2006

- *Season at Sarsaparilla*, Sydney Theatre Company – Drama Theatre, one performance in March 2007
- *Ying Tong*, Sydney Theatre Company – Drama Theatre, one performance in May 2007.

The following key access initiatives reached significant project milestones this year and are on track for completion next year:

- publication of a Staff Access Guide which will be used to promote positive organisational principles and staff behaviour in accessible customer service
- [sydneyoperahouse.com](http://sydneyoperahouse.com) website will achieve Priority 1 and the majority of Priority 2 checkpoints defined in the W3C Web Content Accessibility Guidelines 1.0.

We sincerely thank Accessible Arts, Department of Ageing Disability and Homecare, Vision Australia and the Human Rights and Equal Opportunity Commission for their support and assistance with the implementation of a number of the above initiatives.

### ELECTRONIC SERVICE DELIVERY

Sydney Opera House is undertaking a number of electronic service delivery initiatives. A variety of services are available through the website [sydneyoperahouse.com](http://sydneyoperahouse.com), including publications, information on services and access, job vacancies and tenders. The ability to purchase tickets for Sydney Opera House events and tours is also available. Creditor payments are available via electronic funds transfer.

### ENERGY MANAGEMENT

Sydney Opera House remains committed to sustained energy management principles and to achieving savings in energy use. Through the progressive implementation of energy initiatives, such as replacement of economy outside air dampers, hot water use assessment, chiller performance review, glass shading trials and development of a lighting master plan, energy usage has remained static despite an increase in tourism patronage and building usage. Our electricity contract includes a ‘green power’ component of 6%.

The energy use profile was reassessed during the year with a number of initiatives identified that have the potential to reduce energy consumption. The initiatives will be progressively evaluated and implemented where possible.

Planned projects will review air-conditioning performance focusing on open spaces and replacement of thermostatic mixing valves in the hot water supply system.

### EQUAL EMPLOYMENT OPPORTUNITY (EEO)

Sydney Opera House’s EEO Annual Report submitted to the Office of the Director of Equal Opportunity in Public Employment (ODEOPE) measures the activities of the organisation in the following key reporting areas:

- a diverse and skilled workforce
- improved employment access and participation by EEO groups
- managers and staff who are informed, trained and accountable for EEO
- needs-based programs for EEO groups
- fair policies and procedures
- EEO outcomes that are included in agency planning
- an environment where staff views are heard
- a sound information base.

The following EEO-related projects and achievements have taken place this year:

- further commitment to the Indigenous Traineeship program following the successful completion of our 1999 commitment to 10 traineeship opportunities for Indigenous people
- two technical theatre entry-level trainees achieved Certificate III, a further two women graduate trainees were taken on, including a new three-month placement in Marketing for Producers Unit, and a 12-month placement in Presenter Services in the Performing Arts Portfolio

## Government Reporting Continued

- continuation of the scope of our Registered Training Organisation status to include Frontline Management qualifications, in addition to those of Entertainment, enabling us to address business training requirements through the delivery of nationally recognised qualifications
- the conduct of an Employee Opinion Survey to identify and monitor progress on critical organisational issues in regards to employee engagement and opportunity
- participation and leadership in a number of wider industry programs that support EEO outcomes, such as the International Day for People With Disabilities (refer page 57)
- a range of regular training and development programs for staff, including disability awareness, customer service, managerial readiness, and coaching for managers
- continuation of regular organisation-wide open forums with the Chief Executive and an internal newsletter for all staff
- behaviourally-based recruitment techniques implemented, including assessment centres to enhance the existing merit-based interview process.

EEO initiatives planned for 2007/8 include:

- continued development of a vocational and technical competency framework to clearly identify development and career path options and further improve access to these options
- review of Registered Training Organisation strategic goals and operations to ensure training programs and initiatives are able to be equitably accessed
- continued traineeships in the Producer's Unit and Presenter Services areas
- planning and development of a new Graduate Program within Theatre Technical Services to provide industry access and professional development to specialist skilled workers
- development and pilot of a Graduate Indigenous Traineeship program, as well as continuing an Indigenous Trainee Network offering support for the ongoing development of trainees
- continued development of the mentoring and coaching skills of those responsible for training and performance of others
- provision of core skill training to support the continued development of team members and to ensure equal opportunity for professional and career development
- development and roll-out of targeted induction training to address the EEO and diversity needs of different staff and stakeholder groups, including a new manager induction program.

**Table A - Trends in the Representation of EEO Groups**

EEO Group	% of Total Staff				
	Benchmark or Target	2007	2006	2005	2004
Women	50%	50%	44%	37%	38%
Aboriginal people and Torres Strait Islanders	2%	2%	0.0%	0.0%	0.0%
People whose first language was not English	20%	20%	16%	15%	14%
People with a disability	12%	12%	5%	4%	5%
People with a disability requiring work-related adjustment	7%	7%	0.9%	0.7%	1.1%

**Table B - Trends in the Distribution of EEO Groups**

EEO Group	Distribution Index				
	Benchmark or Target	2007	2006	2005	2004
Women	100	99	94	107	110
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a	n/a
People whose first language was not English	100	81	85	93	89
People with a disability	100	n/a	88	n/a	n/a
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a

Note: Staff numbers as at 30 June 2007. Excludes casual staff. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by ODEOPE.

### ETHNIC AFFAIRS

Sydney Opera House continued its commitment to multicultural services this year providing opportunities for artists, audiences, tourists and the community.

Part 2 of the *Biennale of Sydney: Zones of Contact* series in August 2006 included Tomoko Mukaiyama (Japan) in a collaborative work which resulted in a new work with a unique approach to the piano with both voice and body. *Who's Afraid of Representation* by Rabih Mroué (Lebanon) examined the meaning of a 'public body' and a 'private body' through two distinct stories that reflect the problematic nature of individualism in rigid Lebanese society and how artists interpret these issues.

In September 2006 *The Faster Cooler Pleasure Show* coordinated by David Bonney and Ben Walsh showcased six of Japan's hottest dance artists with five local choreographers in a battle for the dance floor. Live music from Regurgitator and The Bird combined with dance and DJs including Seymour Butts and VJs to turn The Studio into a cozy club space with a bar.

*Hinepau* by New Zealand's Capital E National Theatre for Children in October 2006 depicted a story about being different. *Hinepau* incorporated animation with an eloquent message encouraging us to have strength to be ourselves, the wisdom to forgive and understand and reminded us that to nurture our environment for future generations we must pay attention to our past.

*Eva Yerbabuena Ballet Flamenco* in January 2007 showcased one of the world's finest flamenco performers and her company of six dancers and seven musicians.

*Dhafer Youssef with Jatinder Thakur* and the *Divine Shadows Quartet* in February 2007 bridged a number of cultures, melding ancient Arabic musical traditions with contemporary jazz and rock.

A series of world music concerts in March 2007 included *Kronos Quartet*, an avant garde group with *Asha Bhosle*, iconic Bollywood singer. Salif Keita, a Mali born singer known as the 'Golden Voice of Africa', performed traditional Malian music with a blend of Western influences. *Mariza*, a Portuguese fado singer returned to thrill audiences yet again as she did in the 2006 Sydney Festival. *Gotan Project*, a ground-breaking group of three musicians in Paris who have created a cult following through their exploration of tango, electronica and folkloric music of Argentina also performed.

*Marisa Monte* a Brazilian pop icon, performed for the very first time in Australia in May 2007, singing hits from her 2006 Latin-Grammy Award winning album *Universo Ao Meu Redo* and her 2006 Latin-Grammy nominated album *Infinilo Particular*.

*Wild Cursive* by Cloud Gate Dance Theatre of Taiwan in May 2007 danced the calligraphic forms echoing the serpentine, meandering lines of ink as it spreads its dramatic arcs across cascading rice paper panels on stage. The 19 members of the troupe performed a marriage of the old and the new, drawing on martial arts and contemporary dance.

*Dasshoku Hora* in May 2007 saw Yumi Umimare strip back the candy-coloured surface of Japanese culture with dance from butoh to cabaret.

*Joseph Tawadros Trio* in June 2007 featured the world-renowned Oud player joined by brother James and bass player Ben Rodgers in a special concert that formed part of the Utzon Music Series.

In January 2006 we became the first tourist venue in Australia to offer daily Asian Language Tours in Japanese, Korean and Mandarin. Promotion through tour operators, visits to trade shows in market and on-site signage have resulted in around 77,000 visitors taking a tour in one of these languages this year (24% of all tours taken).

Information brochures, other printed collateral and the Tourism pages on our website are produced in all languages in which we provide tours.

### FREEDOM OF INFORMATION

The impact of the FOI requirements on Sydney Opera House is minor and no major issues have arisen during the year in complying with the *Freedom of Information Act, 1989*. Four applications were received during the reporting year. Two were subsequently withdrawn and access was granted to the documents for the other two requests.

### FFOI Statistics

FOI Requests	Personal	Other	Total
New requests	-	4	4
Bought forward	-	-	-
Total to be processed	-	4	4
Completed	-	2	2
Transferred out	-	-	-
Withdrawn	-	2	2
Total processed	-	4	4
Unfinished (carried forward)	-	-	-

### Freedom of Information Statement of Affairs Functions and Structure

Sydney Opera House is operated and maintained for the Government of New South Wales by the Sydney Opera House Trust, which is constituted as a body corporate under the *Sydney Opera House Trust Act, 1961*.

The Trust is charged with:

- the administration, care, control, management and maintenance of the building and site
- the management and administration of the Sydney Opera House as a performing arts and conference centre
- the promotion of artistic taste and achievement in any branch of the musical, operatic, dramatic, terpsichorean, visual or auditory arts
- scientific research into, and the encouragement of, new and improved forms of entertainment and methods of presentation.

Sydney Opera House theatres, halls, reception rooms, foyers and surrounding areas are hired out to performing companies and other organisations for a wide range of purposes, including performances, exhibitions, conventions, seminars, lectures and receptions.

In addition the Trust undertakes a number of entrepreneurial activities to complement the conventional range of attractions presented by resident companies and other entrepreneurs.

The Sydney Opera House Trust has ten members. Trustees are appointed by the Governor on the nomination of the Minister for the Arts and their three-year terms are timed to start on alternate years. If otherwise qualified, Trustees are eligible for re-appointment and may serve no more than three consecutive terms.

The Chief Executive of the Sydney Opera House Trust is the General Manager who is supported by an Executive Team of seven directors. More information about the structure and functions of the Sydney Opera House can be found in the Sydney Opera House Annual Report or on our website at [sydneyoperahouse.com](http://sydneyoperahouse.com).

### Public Participation in Policy Formulation

The Trustees represent the public in the management and functioning of the Sydney Opera House.

### Categories of Documents Held by the Sydney Opera House

Many documents are available free of charge on our website at [sydneyoperahouse.com](http://sydneyoperahouse.com) or by contacting the Coordinator, Corporate Information. The documents available free of charge include:

- Sydney Opera House Annual Report
- Corporate Goals
- Artistic Vision
- Conservation Plan
- Utzon Design Principles
- Privacy Management Plan
- Sydney Opera House policies
  - Artworks management policy
  - Assistance to community and charitable organisations and events
  - Charitable collections policy
  - Commitment to our customers
  - Credit control and debtor management
  - Customer feedback
  - Giving corporate donations
  - Illumination of the sails
  - On-site recording
  - People with disabilities and older people
  - Performance buy-out policy
  - Privacy policy
  - Receiving gifts and benefits
  - Sponsorship policy.

Sydney Opera House also holds information on files and in computer systems covering the following functions:

- Events management and production
- Box Office
- Tourism
- Commercial activities
- Customer feedback
- Marketing
- Occupational health and safety
- Security
- Philanthropy and corporate partnerships
- Trust
- Industry liaison
- Government relations
- Property management and conservation
- Public relations.

There are also administrative records concerned with the day-to-day management of the Sydney Opera House. These cover matters such as asset management, purchasing, travel, personnel management, financial management, information technology and telecommunications, legal matters and planning documents.

## Government Reporting Continued

### Access

If you want access to any of the documents, apart from the free of charge documents, you will need to make a request under the FOI Act for access. Requests for access to documents held by the Trust must be made by written application accompanied by a fee of \$30 and addressed to:

Coordinator Corporate Information  
Sydney Opera House  
GPO Box 4274  
Sydney NSW 2001

Enquiries may be directed to the Coordinator, Corporate Information, between the hours of 10am and 4pm, Monday to Friday. Contact details are listed below.

Telephone: (02) 9250 7424

Fax: (02) 9247 3651

Email: [foi@sydneyoperahouse.com](mailto:foi@sydneyoperahouse.com)

### HERITAGE MANAGEMENT

On 28 June 2007 the Sydney Opera House was inscribed on the World Heritage List under criterion 1 as a work of “outstanding human creative genius”. Sydney Opera House has previously achieved local, state and national heritage listings. Through a bilateral agreement signed by the Australian and NSW Governments in January 2006, the Australian Government has agreed that all developments that have the potential to affect the World Heritage significance of Sydney Opera House can be appropriately dealt with through the NSW environmental assessment system by referral from the Australian Department of Environment and Water Resources to the NSW Department of Planning.

A buffer zone has been established to give extra protection to the World Heritage values of Sydney Opera House. The buffer zone includes: the inner waters of Sydney Harbour, headlands and bays and foreshores within a 2.5 km radius of the Opera House; and the foreshores of the Rocks, City of Sydney and North Sydney up to one street back from the waterline.

The buffer zone will help to preserve the setting of Sydney Opera House, including significant views from public places along the foreshore. The new controls will be used by relevant councils and consent authorities when assessing development applications which fall within the zone, and by proponents when they prepare their development applications. The controls will not affect: the use of existing development on land that is privately owned or occupied; or minor building works such as renovations, repairs and internal alterations.

The changes take effect through an amendment to the *Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005*. The draft amendment was publicly exhibited from December 2005 to February 2006, as part of the World Heritage Nomination.

### INDIGENOUS

Sydney Opera House supports both indigenous arts and indigenous employment in the performing arts and entertainment industry.

### Message Sticks Indigenous Arts Festival

Presented by Sydney Opera House, Message Sticks Indigenous Arts is a celebration of Indigenous culture through contemporary film, performance, music and visual arts. The featured event this year was:

*Message Sticks Indigenous Film Festival 4–6 May 2007*

After the success of Message Sticks Indigenous Film Festival in 2006, with all sessions at full capacity, this year’s Festival was bigger with screenings in both the Playhouse and The Studio. Curated by indigenous film-makers Rachel Perkins and Darren Dale, the program featured the world premiere of 13 short films by emerging Indigenous Australian directors under the banner ‘Bit of Black Business’. These 13 five-minute films, commissioned by the Australian Film Commission and SBS Television, provided an insightful portrait of Indigenous Australia in the 21st century.

The Gala Opening Night, hosted by Deborah Mailman, featured the Sydney Premiere of *Crocodile Dreaming*, an Australian short drama about two estranged half-brothers struggling against their own jealousy and distrust for each other, starring the Festival’s special guest David Gulpilil. The Gala also featured the announcement of the winners of the Tudawali Award, won by Priscilla Collins for her contribution to the screen industry, and the

Bob Maza Fellowship, won by Aaron Pederson enabling him to continue his development as an actor in the international arena.

Australian documentaries screened included:

*Footprints in the Sand/Glen Stasiak*

An extraordinary journey in search of Warri and Yatungka, believed to be the last of the Gibson Desert people who ‘came in’ out of the desert for the first time in the late 1970s.

*Dark Science/Johan Gabrielsson & Warwick Thornton*

The story of Swedish scientist, Eric Mjoberg who came to the Kimberley region of Western Australian in the early 1900s seeking the ‘missing link’.

*Songlines to the Seine/Julie Nimmo*

Traces the inspiration of the Indigenous Australian artists who created work for the Musee du quai Branly in Paris.

*When Natives Get Restless/Adrien Wills*

The story of a community living on the infamous Gordon Estate in Dubbo, who have just been given an eviction notice from the council, which will lead to the disintegration of the people and the community of the Gordon Estate.

*A Sister’s Love/Ivan Senn*

The latest film from Ivan Senn follows journalist and festival director, Rhoda Roberts, as she travels home to confront the brutal murder of her twin sister, eight years after her body was found in a remote forest north of Lismore, NSW.

International films screened included:

*Four Sheets to the Wind/Sterlin Harjo (USA)*

Cufe Smallhills’ father never has much to say, but one day he is quieter than usual. When Cufe finds his father dead beside a bottle of pills, he does as he promised and drags the body out to the family pond, unceremoniously sinking it to the bottom.

*Miss Navajo/Billy Luther (USA)*

Pageants conjure up images of beauty-queen hopefuls parading around in bathing suits. The Miss Navajo competition, inaugurated in 1952, redefines ‘Pageant’ as an opportunity for young women to strengthen Navajo culture.

Individual film sessions were free, but this year for the first time day and weekend passes were introduced that ensured priority seating. Message Sticks Indigenous Film Festival stakeholders and supporters included the Australian Film Commission and Indigenous Screen Australia.

### Indigenous Traineeship

In 1999, Sydney Opera House committed to offer 10 entry-level Traineeship opportunities for Indigenous people by 2003. Traineeships were in the technical theatre areas of Staging, Lighting, Sound/Audio Visual and Stage Management. As a Registered Training Organisation, Sydney Opera House can facilitate Trainees to work towards nationally recognised qualifications in Entertainment. Traineeships enable increased participation in, and accessibility to, the industry for Indigenous people.

Since 1999, 17 indigenous people have been offered entry-level Traineeship opportunities at Sydney Opera House; 13 have completed their 12-month Traineeships. Trainees work towards Certificates III in Live Production Theatre and Events from the Entertainment Training Package through on-the-job experience and off-the-job training, gaining the skills and experience to enter the industry.

In 2006, a new Graduate Traineeship program was introduced, based on Indigenous industry requests for development positions for middle managers in production, marketing and event management. The pilot program included two positions, a part-time trainee Marketing Coordinator, and a 12-month Production Assistant in the Producers Unit and Presenter Services of the Performing Arts Portfolio where experience has been gained on the Sydney Opera House Message Sticks Program, as well as the diversity of our venue events.

### INSURANCE

Sydney Opera House insurance coverage is provided by the NSW Treasury Managed Fund, a self-insurance scheme administered by GIO (which covers property, public liability and motor vehicle) and by Allianz (which covers workers compensation).

The property policy protects Sydney Opera House assets and the properties for which it holds long-term leases.

During the year Sydney Opera House had three property claims totalling \$40,519.62.

A table showing the total cost of premiums excluding GST, arriving at the cost per employee over the past five years, is set out below.

	2006/07 \$	2005/06 \$	2004/05 \$	2003/04 \$	2002/03 \$
Motor Vehicle	0	0	700	0	2,110
Property	406,700	481,550	525,630	433,640	329,500
Public Liability	342,230	344,060	459,330	433,440	321,070
Workers’ Comp.	1,411,974	1,114,080	1,119,640	970,410	583,310
Miscellaneous	0	5,370	5,350	5,710	3,410
<b>TOTAL COST</b>	<b>2,160,904</b>	<b>1,945,060</b>	<b>2,110,650</b>	<b>1,843,200</b>	<b>1,239,400</b>
Total Employees	703	701	644	660	631
<b>COST PER EMPLOYEE</b>	<b>3,074</b>	<b>2,775</b>	<b>3,277</b>	<b>2,793</b>	<b>1,964</b>

### INVESTMENT PERFORMANCE MEASURE

Investments are placed with NSW Treasury Corporation or banks at interest rates equivalent to or greater than the relevant benchmark Hourglass Investment.

### LAND TITLE HOLDINGS

#### Summary of Land Holdings

Ownership of the Sydney Opera House and its land is vested in the Minister administering the *Sydney Opera House Trust Act 1961* (the Minister for the Arts) on behalf of the NSW Government. The Sydney Opera House Trust, which is constituted as a body corporate under the *Sydney Opera House Trust Act 1961*, is responsible for the operation and maintenance of the Sydney Opera House and its land. The site area is 3.606 hectares and is located at the northern end of Circular Quay East, Bennelong Point, and as at 30 June 2007 was valued at \$75,000,000.

### LEGAL

The *Sydney Opera House Act 1961* was amended by the Statute Law (*Miscellaneous Provisions*) Act (No 2) 2006 to:

- remove the historical provisions dealing with the staged transfer of authority to the Trust as the Opera House was being built and instead to insert provisions which clearly set out the land and building over which the Trust has authority by referring to the registered land title documents
- include provisions relating to the disclosure of pecuniary interest by Trustees
- remove a provision which required the Trust to operate only one bank account, thereby enabling the Trust to operate more than one bank account to support its business operations (subject to the provisions of the *Public Finance and Audit Act 1983*).

Amendments were made to the *Charitable Trusts Act 1993 (NSW)*, the *Charities Act 1978 (Vic)*, *Income Tax Assessment Act (1936)* (Cth) and *Income Tax Assessment Act (1997)* (Cth) which enable NSW and Victorian Prescribed Private Funds to make donations to Sydney Opera House Trust. Access to these philanthropic funds is essential to the Trust’s fundraising aspirations.

### OCCUPATIONAL HEALTH AND SAFETY (OH&S)

OH&S initiatives are outlined on page 33.

### Workers Compensation

There has been an improvement in health and safety this year with a substantial reduction in lost time to injuries (down to 4.21 from 9.25 hours lost per thousand hours worked in 2005/6) and in the number of Workers Compensation cases (down to 27 from 57 in 2005/6). The improvements are the result of a number of initiatives implemented over the past two years that contribute to our on-going obligations under the NSW Government “Working Together” initiative to reduce workplace injuries. There were no WorkCover reportable incidents during 2006/7.

Year	Number of Staff Injuries	Number of New WC cases*
2006/07	252	27
2005/06	253	57
2004/05	286	69
2003/04	290	67
2002/03	265	69

\* Includes all workers compensation cases including provisional liability.

### OVERSEAS TRAVEL

Sydney Opera House employees undertake interstate and overseas travel for various business reasons, including sourcing performing arts product, touring programmes and representing Sydney Opera House at key industry forums. Overseas travel is approved by the Minister for the Arts and travel undertaken during the reporting year is listed below.

Name/Position	Dates/Location	Purpose
Greg McTaggart Project Director, Building Development Group	6-11 Aug. 2006 USA	To visit Davies Symphony Hall in San Francisco and Nagata Acoustics in Los Angeles.
Norman Gillespie Chief Executive Officer	6-11 Aug. 2006 USA	To visit Davies Symphony Hall and meet with HP, our major IT partner in San Francisco and to meet with Grenzebach, Glier & Associates, our philanthropy consultant in Chicago.
	25-29 Oct. 2006 USA	To attend the Performing Arts Centres Consortium Spring Conference.
	1-4 March 2007 USA	To accept invitation to meet Edward DeBono and Frank Ghery and to meet with Nagata (Sydney Opera House acoustician) and CEO of LA Music Centre.
	20-22 March 2007 New Zealand	To attend OZPAC’S Chief Executive meeting.
Semce Dickerson CRM and Online Marketing Manager, Marketing	6-11 Aug. 2006 Canada	To attend 2006 Tessitura Conference.
David Joyce Tessitura Business Analyst, Information Systems	6-11 Aug. 2006 Canada	To attend 2006 Tessitura Conference.
Peter Nelson Box Office Coordinator, Ticketing Services	6-11 Aug. 2006 Canada	To attend 2006 Tessitura Conference.
Claire Swaffield Director, Information Systems	6-15 Aug. 2006 Canada and USA	To attend the 2006 Tessitura Conference and New York Tessitura meeting.
	24-30 March 2007 Canada	To attend March 2007 Tessitura Network Board meeting.
Wendy Martin Producer, Producers Unit	15 Aug. 2- Sep. 2006 UK and Switzerland	To visit London, Edinburgh Festival and Fringe and Zurich Theatre Spektal.
	16-24 Jan. 2007 USA	To seek international productions for presentation at Sydney Opera House.
	16-26 May 2007 Austria	To act as Tour Manager for <i>Honour Bound</i> , a Sydney Opera House commission touring Vienna Festival.



## Government Reporting Continued

Name/Position	Dates/Location	Purpose
Jessica Bateman International Sales Manager, Tourism	17 Aug - 4 Sep. 2006 USA and UK	To attend annual OzTalk North America trade event and visit key North American and UK wholesalers.
David Claringbold Technical Director, Theatre Technical Services	6-15 Sep. 2006 The Netherlands and UK	To attend IBC in Amsterdam and PLASA in London, leading trade and industry forums.
Simon Spellicy Tourism Development Manager, Tourism	1-5 Oct. 2006 Japan  26 Oct. - 1 Nov. 2006 Taiwan and China	To attend the Sydney Style Mission in Japan hosted by Tourism NSW.  To attend the Taiwan Travel Mission and the 10th Australian Travel Mission to China.
Sarah Duthie Operations Manager, Sales and Reservations, Tourism	1-5 Oct. 2006 Japan  14-18 March 2007 New Zealand	To attend the Sydney Style Mission in Japan hosted by Tourism NSW.  To attend the annual OzTalk New Zealand Tourism Trade Fair.
Nicole Hall Group Marketing Manager, Marketing	29 Oct. - 12 Nov. 2006 USA	To attend the Performing Arts Centres Consortium Fall Marketing Conference and a series of visits to major Performing Arts Centres.
Jonathan Bielski Manager, Presenter Services	10-19 Oct. 2006 South Korea and Japan  17-28 Jan. 2007 USA  17-24 March 2007 New Zealand	To attend the Performing Arts Market in Seoul and speak at SINO Australian Conference as part of Shanghai Performing Arts Festival.  To attend the Arts Presenters Conference and Market in New York and establish business partnerships.  To attend Performing Arts Centres Consortium Fall Conference and a series of visits to major Performing Arts Centres.
Christopher Wynton Public Relation Manager, Corporate Communications	14-19 Feb. 2007 Denmark	To oversee Channel Nine <i>60 Minutes</i> interview with architect Jørn Utzon.
Noel Jordan Producer, Young Audiences, Producers Unit	17-21 March 2007 New Zealand  19 May - 3 June 2007 Scotland	To attend APPN Symposium 2007 and performances in the Capital E National Arts Festival.  To attend Bank of Scotland's International Theatre Festival 2007.
Philip Rolfe Executive Producer, Producers Unit	20-24 March 2007  20 April - 6 May 2007 Canada and USA  25 June - 5 July 2007 UK and Japan	To attend OZPAC's Biannual Executive Forum.  To attend major showcase of Canadian arts at invitation of Canadian Government.  To attend performances in Manchester, London and Osaka.

Name/Position	Dates/Location	Purpose
Chirs Venn Lighting Supervisor, Theatre Technical Services	12-21 May 2007 USA	Attend the Broadway Lighting Master Classes.
Trevor Ahearn Production Manager, Producers Unit	19 May - 18 June 2007 Austria and The Netherlands	To install and manage production of <i>Honour Bound</i> in the Vienna and Amsterdam festivals.
Maria Sykes Director, Tourism and Visitor Operations	23-30 June 2007 New Zealand	To attend 31st Session of the UNESCO World Heritage Committee Meeting.

### PRIVACY MANAGEMENT

The Sydney Opera House Privacy Plan is available on the website at [www.sydneyoperahouse.com](http://www.sydneyoperahouse.com).

The Plan includes:

- descriptions of the key categories of personal information held by Sydney Opera House
- procedures for facilitating the public's right to access information held on them
- procedures for privacy complaints and internal reviews.

Details of how Sydney Opera House protects the privacy of its customers and visitors to its website are available at [sydneyoperahouse.com](http://sydneyoperahouse.com). To obtain copies of Sydney Opera House's latest Customer Privacy Statement, Privacy Management Plan, Privacy Policy and/or to make enquiries about privacy issues, contact:

Coordinator, Corporate Information  
Sydney Opera House  
GPO Box 4274  
SYDNEY NSW 2001

Telephone: (02) 9250 7424

Fax: (02) 9247 3651

Email: [privacy@sydneyoperahouse.com](mailto:privacy@sydneyoperahouse.com)

There were no privacy complaints or reviews conducted during the year. A number of customers chose to opt out of receiving direct marketing material.

### POPE LEGISLATIVE COMPLIANCE

Building maintenance works continued to be focused on upgrading fire systems as part of the Place of Public Entertainment (PoPE) compliance requirement. \$9m was allocated from a project budget of \$25.5m towards replacing fire dampers, replacing and upgrading fire sprinklers and fire detection equipment, and upgrading theatre smoke management systems to improve patron safety. The requirements of the PoPE licence are being fully met.

### PUBLICATIONS

This year we produced *Sydney Opera House 2006/7 Annual Report*; Bi-monthly Events guide; Adventures brochure and promotional material; *Kids at the House* brochure and promotional material; *House:Ed* brochure and promotional material; The Studio six-month program brochure and promotional material; *Utzon Room Music Series* program brochure and promotional material; *Message Sticks* brochure and program; Performance brochures and flyers; corporate material (eg Christmas and Mother's Day Gift Voucher flyer; invitations to exhibitions and opening events, folders); Tourism Visitor Information Booklet in the following languages: English, Japanese, Korean, Mandarin and Modern Chinese; Tourism Flyers; Backstage Tour passes; public Access Guide and Priority Shuttle - Free Bus Service flyers and *Talkback* (internal staff newsletter – produced quarterly).

The Sydney Opera House Annual Report 2006/7 is available on CD and on the internet at [sydneyoperahouse.com](http://sydneyoperahouse.com). The total costs for production of the annual report including design, copywriting, additional photography (Trustees and Executive Team), print format copies, multimedia CDs and internet version was \$68,737 includes GST.

### RISK MANAGEMENT

Sydney Opera House Trust Risk Management Committee ensures that obligations are met with respect to financial reporting, internal controls and risk management, along with compliance with all laws, regulations and codes of ethics.

### Audits

Performance and compliance audits were carried out by Deloitte Touche Tohmatsu on a variety of business processes and systems as part of the internal review program for the 2006/07 period, including:

- Revenue Assurance (November 2006)
- Self-Funded Productions (December 2006).

Business process and system improvement recommendations were monitored by the Trust Risk Management Committee.

For further information on risk management refer to the Governance section at page 27.

### SENIOR EXECUTIVE SERVICE

There are seven senior executive service positions at Sydney Opera House. Four positions are filled by women.

SES Level	2006/07 Positions	2005/06 Positions
2	2	1
3	4 (3 Female)	5 (3 Female)
6*	1	1

\* This position is actually graded SES 5, Dr Gillespie was granted an additional grade to SES 6 on a personal basis from appointment.

As at 30 June 2007 the Chief Executive of Sydney Opera House was Norman Gillespie.

### Performance Statement

Dr Norman Gillespie  
Chief Executive Officer, SES Level 6

Appointment at Level 6 commenced on 19 September 2002  
Total remuneration package: \$290,185

Dr Gillespie's administration delivered the Sydney Opera House's key activities and achievements as outlined in this report.

Sydney Opera House is an Australian icon and remains the flagship performing arts venue in Sydney as well as a signature Sydney landmark. Its reputation and standing is maintained both through the efforts of the management team and the client arts companies that perform there.

Dr Gillespie worked to the performance criteria contained in his 2006/7 performance agreement, but left the Sydney Opera House prior to completion of the official performance reporting process.

### WAGE AND SALARY MOVEMENTS

A 4% wage increase was granted to staff covered by the *Crown Employees (Public Service Conditions of Employment) Award 2002* effective from the first pay period commencing on or after 1 July 2006.

A 4.48% increase was granted to staff covered by the *Sydney Opera House Enterprise Agreement 2006* effective from the first pay period commencing on or after 1 July 2006.

A 4% wage increase was granted to Senior Executive Service staff effective from the first pay period commencing on or after 1 October 2006 as per the *Statutory and Other Offices Remuneration Act, 1975*.

### WASTE AND RECYCLING MANAGEMENT

The conduct of waste audits has continued enabling strategies to be refined and tested for waste collection, removal and procurement.

The year has resulted in a positive change in the ratio of recyclable and putrescible waste, which has been achieved in part by:

- increased focus on the separation and recycling of cardboard and paper from general waste by providing more recycling bins
- increased focus on the separation and recycling of building works waste materials from general waste
- introduction of separation of loose waste such as foam containers for fruit and vegetables for recycling
- reduced rates of contamination among separate waste streams such as glass, cardboard and paper.

### WOMEN'S ACTION PLAN

Sydney Opera House is strongly supportive of the Government's philosophy in relation to women and the whole of Government approach to addressing women's issues and concerns. Sydney Opera House is committed to the advancement of women in all forms of cultural, artistic and work life.

### Education and Training

Since becoming a Registered Training Organisation in December 1999, Sydney Opera House has awarded 32 qualifications in Entertainment, 4 qualifications in Security, 10 qualifications in Frontline Management and 24 qualifications in Assessment and Workplace Training to women within the organisation.

Women from all departments undertook specific skills development in a range of areas including Information Technology and other technical skills, Occupational Health and Safety Committee training, responsible service of alcohol, financial skills, accessibility awareness, conservation management training, information security management, customer service, business writing and performance planning and review refresher training. Women comprise 37% of the total Indigenous Traineeship intakes.

### Decision Making and Leadership

Of the overall Sydney Opera House workforce, women comprise 38% of the permanent workforce, 64% of part-time and 52% of casual. Women comprise 48% of the overall workforce. The current Executive Team comprises 57% women.

Management and supervisory development programs this year included Managerial Readiness, Manager as Coach and Working With and Through Your Team. An average of 47% of participants across all programs were women.



Opera					Dance						
Presenter	Production	Venue	Performances	Audience	Presenter	Production	Venue	Performances	Audience		
Australia Opera Auditions Committee	Highlights of Opera 2006	Opera Theatre	1	803	Ausdance NSW	The 2006 Australian Dance Awards	Opera Theatre	1	1230		
Opera Australia	Alcina	Opera Theatre	11	12521	Australian Tango Championship	Australian Regional Tango Championship	Concert Hall	1	1505		
Opera Australia	Batavia	Opera Theatre	5	5740	Bjelke-Petersen School of Physical Culture/National	Senior Finals	Concert Hall	1	2485		
Opera Australia	Il Traviatore	Opera Theatre	1	1100	Michelle Park	Karma	The Studio	1	180		
Opera Australia	Jenufa	Opera Theatre	7	6730	POB Australian Tour	Paris Opera Ballet Grand Gala	Opera Theatre	1	1376		
Opera Australia	Julius Caesar	Opera Theatre	8	9115	Sydney Cultural Council	School Dance Groups*	Concert Hall	3	3000		
Opera Australia	La clemenza di Tito	Opera Theatre	8	8923	Sydney Festival	About An Hour - Flow	The Studio	5	1136		
Opera Australia	La traviata	Opera Theatre	19	27712	Sydney Festival	About An Hour - Structure and Sadness	Drama Theatre	4	1563		
Opera Australia	Lakme	Opera Theatre	9	12922	Sydney Opera House	Black Milk	Drama Theatre	9	2159		
Opera Australia	Opera Australia Private Concert	Opera Theatre	2	2350	Sydney Opera House	Chunky Move - Glow	The Studio	17	2456		
Opera Australia	Opera on the Big Screen	Forecourt	1	4476	Sydney Opera House	Cloud Gate Dance Theatre - Wild Cursive	Opera Theatre	2	2666		
Opera Australia	Operatunity Oz (Rigoletto)	Opera Theatre	1	1436	Sydney Opera House	danceTANK* ♦	The Studio	6	1163		
Opera Australia	Rigoletto	Opera Theatre	15	20857	Sydney Opera House	eigenSinn	The Studio	3	431		
Opera Australia	Rusalka	Opera Theatre	8	11357	Sydney Opera House	Emio Greco/PC - Double Points: One & Two	Playhouse	10	2141		
Opera Australia	Sweeney Todd	Opera Theatre	13	16333	Sydney Opera House	Eva Yerbabuena Ballet Flamenco	Concert Hall	5	9428		
Opera Australia	The Barber of Seville	Opera Theatre	4	5220	Sydney Opera House	Origami	Drama Theatre	5	1792		
Opera Australia	The Marriage of Figaro	Opera Theatre	16	23754	Sydney Opera House	Special Mention* ♦	The Studio	6	862		
Opera Australia	The Pirates of Penzance	Opera Theatre	32	45657	Sydney Opera House	The Faster Cooler Pleasure Show	The Studio	2	608		
Opera Australia	Turandot	Opera Theatre	19	27536	Sydney Opera House/ Branch Nebula	Paradise City	The Studio	10	2031		
Opera Foundation Australia	New York Study Award 2006	Opera Theatre	1	366	Sydney Opera House/ Sydney Festival	Kaidan	Drama Theatre	15	7429		
Sydney Cultural Council	McDonald's Operatic Aria 2006*	Opera Theatre	1	432	The Australian Ballet	Dance and Dancers*	Opera Theatre	1	850		
Sydney Opera House	The Hanging of Jean Lee	The Studio	6	815	The Australian Ballet	Don Quixote	Opera Theatre	22	31644		
			<b>Total</b>	<b>188</b>	<b>246,155</b>						
						The Australian Ballet	Introduction to the Ballet*	Opera Theatre	2	2565	
						The Australian Ballet	New Romantics	Opera Theatre	21	23492	
						The Australian Ballet	Raymonda	Opera Theatre	21	27823	
						The Australian Ballet	Raymonda Dances*	Opera Theatre	1	880	
						The Australian Ballet	Revolutions	Opera Theatre	21	26666	
						The Australian Ballet	Saturdays at Five	Opera Theatre	4	1085	
						The McDonald College	An Evening of Classical Ballet	Opera Theatre	1	1076	
									<b>Total</b>	<b>201</b>	<b>161,722</b>

\* For young audiences ♦ Includes House:Ed performances

# STRATEGIC PLAN 2003/08

The following strategic projects have been completed since the endorsement of the Strategic Plan in June 2003 and fully integrated into ongoing business operations.

## GOAL 1

Be Australia's pre-eminent showcase for performing arts and culture and an international leader in the presentation and development of artists and their work.

- Young Audiences and Education Program (2004)
- The Studio Program (2004)
- Indigenous Program (2004)
- Service Level Agreements (2004)
- Strategic Partnership Agreements (2004)
- Construct and Establish Recording Studio (2004)
- Youth Education Program (2004)
- Targeted Presentations and Co-presentations (2005)
- Special Performing Arts Projects and Other Areas (2005)
- Risk Share, Co-presentations and Supported Events (2005)
- Artistic Vision Statement (2005)
- Review/Update Events Based Management System (2005)
- Financial Planning and Control (2005)
- Multi-Media Suite (2005)
- New Playhouse Program Adventures (2006)
- Commissions Program established (2006)
- Live broadcasts of performances (2006)

## GOAL 2

Attract and engage a broad range of customers and provide compelling experiences that inspire them to return.

- Construct and establish Exhibition Hall (2003)
- Service charter created: Commitment to our Customers (2004)
- Tourism/Box Office Reservations Integration (2004)
- Safety Strategy and Plan (2005)
- Security Strategy and Plan (2005)
- New Asian Language tours in Japanese, Korean and Mandarin (2005)
- Strategic Tourism review completed (2005)
- Access Strategic Plan 2005/8 launched (2006)
- Access Strategic Plan project implementation
  - Public Access Guide (2006)
  - AART:BOXX exhibition (2006)
  - Accessibility training for front-line staff and induction (2006 & 2007)
  - Access Awards (2006)
- Strategic Web Plan development (2006)
- High Tea at Sydney Opera House (2007)

## GOAL 3

Maintain and enhance the Sydney Opera House as a cultural landmark, performing arts centre and architectural masterpiece.

- Refurbish Reception Hall – now named Utzon Room (2004)
- Develop and Implement Rolling Major Works Program (2004)
- National Heritage Listing (2005)
- Build new Colonnade (2006)
- World Heritage nomination submitted (2006)
- Accessibility and Western Foyers project commenced (2007)
- World Heritage Listing (2007)

## GOAL 4

Create a customer focused workplace where people are recognised for their contribution, realise their potential and are inspired to achieve outstanding results.

- Enterprise Agreement 2004 (2004)
- Learning and Development Program (2004)
- Financial Literacy (2004)
- Information Technology Literacy (2004)
- Information and Records Management (2004)
- Registered Training Organisation registration (2004)
- Facilities Training (2004)
- Indigenous Traineeships Program (2004–2007)
- Strategic Presenter Partnerships – Employee Relations (2004)
- Performance Planning and Review Program (2004)
- Establish Internal Communications Framework (2004)
- Internal Communications Resources, Tools and Infrastructure (2005)
- Orientation Program (2006)
- Employee Opinion Survey (2004, 2005 and 2007)
- Enterprise Agreement 2006 (2007)
- Management Development and Leadership Program (2006–2007)

## GOAL 5

Invest in the performing arts, cultural activities and audience development by maximising business results of the Sydney Opera House and leveraging its assets, resources and brand.

- Business Partnerships – enhancing current activities (2005)
- Sydney Opera House By-law (2005)
- Philanthropy Program Framework (2006)
- Tourism and Visitor Operations Pricing Policy (2005)
- Facilities Pricing Policy (2005)
- Performing Arts Pricing Review (2005)
- Improved Governance – Australasian Reporting Award (Bronze 2005, Silver 2006, Gold 2007)
- Annual Giving Fund (2007)
- Key Performance Indicators (2006)
- Business Continuity Plan (2007)

In June 2007 the Sydney Opera House Trust endorsed a new strategic plan. The focus of the new plan is on delivering an ambitious performing arts program including new Public Programs stream, improved service delivery, continued growth in commercial business returns, and ensuring that business operations, including building maintenance are fully funded and effectively delivered.

# INDEX

Access 72  
 Accessibility and Western Foyers Project 3,5,7,9,25,27,34,67  
 Accommodation 7,9,24,25  
 Account payment performance 54  
 Acoustics 9,27,61  
 Adventures 7,9,11,15,23,27,55,62,67  
 Aims 8,9,26  
 Annual giving 3,5,9,25,50,53,67  
 APN News & Media 69  
 Artistic vision 5,10,59,67  
 Arup 69  
 Asian language tours 1,7,23,33,59,62,67  
 Audio description 57  
 Audits 27,63  
 Australian Chamber Orchestra 13,29,64  
 Australian Radio Network (ARN) 69  
 Australasian Reporting Award 9,67  
 Avant Card 69  
 Backstage tour 1,7,23,62  
 Bell Shakespeare Company 14,15,25,65  
 Box office 3,7,11,23,25,34,55,56,59,61,67,72  
 Box office sales 11  
 Brand 3,5,7,8,22,23,27,33,55,56,67  
 Budget 53  
 Building Committee 27,28,29  
 Building condition indices 9,25  
 Building works 5,7,9,25,60,63  
 By-law 61,67  
 Cadbury Schweppes 69  
 Café Sydney 69  
 Car park 56,72  
 CEO message 7  
 Chairman's message 5  
 Charter 26  
 Code of conduct 9,26,54  
 Colonnade 1,3,67  
 Commander 360 Communication 69  
 Commercial Energy Services 69  
 Commercial revenue sources 35  
 Commissions program 67  
 Committees 27,28,29,30,31,33,63  
 Community support 23  
 Concert Hall 1,5,7,9,11,13,22,25,27,34,64,65,66  
 Consultants 51,55  
 Conservation Council 9,27,29,31  
 Conservation plan 1,27,59  
 Consumer response 7,55  
 Contact information 72  
 Corporate social responsibility 9  
 Country Energy 7,11,21,29  
 Courtesy Shuttle 55,62  
 Credit card use 55  
 Crown Lager 69  
 Customer experience 5,55  
 Customer research 23,27,55,56  
 Customer service 7,23,26,31,33,55,56,57,58  
 Darrell Lea 69  
 Dance 15,18,19,21,58,59,66  
 Definitions 68  
 Disability access 5,23,25,57,60,63,67  
 Drama Theatre 1,11,15,57,64,65,66  
 Education 1,3,11,19,20,21,50,63,67,70  
 Electronic service delivery 57  
 Employee opinion survey 7,9,32,33,58,67  
 Energy management 7,24,25,57  
 Enterprise agreement 9,27,33,63,67  
 Environment 9,24,25,57,60  
 Equal employment opportunity 33,57,58  
 Euphonix 69  
 Executive management 5,7,26,27,30-31,33,55,59,63  
 Exhibition Hall 67  
 Exhibitions 5,23,67  
 FBI 94.5FM 69  
 Financial overview 9,34  
 Financial statements 34-53  
 Food and beverage 5,9,23,25,27,34,35,44,53,55,56  
 Forecourt 1,5,9,11,13,17,27,34,64,66  
 Four Seasons Hotel 69

FOXTEL 7,28,69  
 Freedom of information 59  
 Grants 34  
 Goals 8,67  
 Governance 9,26-33  
 Guarantee of service 55  
 Guided tours 1,3,7,23,25,44,53,56,57,59,67  
 Guillaume at Bennelong 23  
 Hastie 69  
 Heritage management 1,2,5,7,9,24,25,26,27,31,60,62,67  
 Hewlett-Packard (HP) 7,25,61,69  
 Highlights 2-3  
 High Tea 7,22,23,55,67  
 Host team 7,9,23,55  
 House:Ed 11,20,21,62,64,65,66  
 Human resources 9,32-33  
 Indigenous 11,15,23,29,32,33,57,58,60,63,67  
 Information technology 26,31,33,55,59,63,67  
 Insurance 42,45,53,60  
 Investment performance measure 61  
 Jameson 69  
 JC Decaux 69  
 Key targets and priorities 5,7,9  
 Key performance indicators 9,67  
 Kids at the House 21,62,72  
 Land title holdings 61  
 Lavazza 69  
 Legal 61  
 Lexus 7,69  
 LG Electronics 7,69  
 Lighting 7,9,23,24,25,27,46,57,62  
 Major works 34,67,25  
 Mallesons Stephen Jaques 69  
 Market research 23,27,55,56  
 Mediacom Australia 69  
 Marketing 23,26,28,31,35,55,56,57,60,61,62  
 Message Sticks 11,15,60,62,72  
 Multi-media suite 67  
 Music 11,12,13,17,21,50,58,6,59,60,62,64-65  
 National Australia Bank (NAB) 7,13,69  
 National Heritage Listing 1,60,67  
 Nestle 69  
 Objectives 9,26,43,50,51  
 Occupational health and safety 3,7,26,27,56,59,61,63  
 Online ticketing 11,23,72  
 Opera 1,2,3,5,7,11,16,17,56,65,66  
 Opera Australia 1,2,3,5,7,11,16,17,56,65,66  
 Opera Point Events 23  
 Opera Theatre 1,7,11,15,17,19,25,27,34,65,66  
 Organisation structure 26  
 Overseas travel 61-62  
 Penfolds 69  
 People & Culture 7,9,32-33  
 Performance by venue 11  
 Performance list 64-66  
 Performance trends 11  
 Performance Review Committee 27  
 Performing arts 7,9,10-22,26,27,29,30,31,43,50,55,57,59,60,61,62,67  
 Philanthropy 9,27,28,29,30,31,34,59,61,67  
 Philanthropy Committee 27,28,29,30,31  
 Photography 62,72  
 Place of Public Entertainment (PoPE) 25,27,62  
 Playhouse 1,11,15,19,60,65,67  
 Presenter survey 9,11,23,56,67  
 Priority shuttle service 55,62  
 Privacy management 62  
 Publications 62  
 Public program 5,7,9,11,67  
 Recording Studio 1,56,67  
 Recycling 25,63  
 Registered training organisation 58,60,63,67  
 Research 23,25,26,27,55,56,59  
 Retail 5,7,9,22,23,27,35,44,50,53,56  
 Reward and recognition 9,23,42,55  
 Risk management 26,27,28,29,37,41,52,63  
 Risk Management Committee 27,29,63  
 SBS 69

Security 24,25,26,46,56,59,63,67  
 Senior executive service 63  
 Signwave Newtown 69  
 Smith's Snackfood Company 69  
 SOH Store 9,23,50  
 Sources of funding 37  
 Sponsorship 44,52,53,59,69  
 Staff 33,42,54,55,56,57,58,61,62,63,67  
 State heritage listing 1  
 Strategic building plan 9,26  
 Strategic plan 7,9,26,27,31,67  
 Strategic presenting partners 1,5,7,56  
 Strategic web plan 9,67  
 Sydney Festival 11,13,14,15,19,29,58,64,65,66  
 Sydney Opera House Appeal Fund 43,50,51,70  
 Sydney Opera House By-laws 2006 67  
 Sydney Opera House Trust Act 1961 26,61  
 Sydney Opera House presentations 1,5,7,11,13,15,17,19,21,64,65,66  
 Sydney's Child 69  
 Sydney Symphony 1,3,5,7,11,12,13,29,56,64,65  
 Sydney Theatre Company 1,3,7,11,15,29,57,65  
 Ten year performance trends 11  
 Theatre 1,11,14,15,17,19,21,33,44,53,57,58,59,60,61,62,65  
 The Essential Tour 5,9,23,33  
 The Australian Ballet 1,3,5,7,11,19,30,56,66  
 The Studio 1,11,13,15,16,17,18,58,60,62,64,65,66,67  
 Ticketing 5,23,26,31,33,35,56,61  
 Total asset management 25  
 Tourism 1,2,5,7,9,23,26,27,31,34,35,44,45,53,55,56,57,59,62,67,72  
 Trade marks 72  
 Traineeships 9,32,33,58,60,67  
 Training and development 9,23,25,31,32,33,43,45,50,53,55,57,58,60,63,67  
 Trustees 3,5,26,27,39,46,51,54,59,61,62  
 UNESCO 2,5,62  
 Unified customer support system 9,25,26  
 United Services Group 69  
 Utzon Design Principles 1,27,59  
 Utzon, Jørn 1,2,3,5,13,24,25,27,62  
 Utzon Room 1,7,11,13,57,62,64,67  
 Venue Improvement Programme 5,27,34,46,53  
 Vienna Philharmonic 5,6,7,11,13,27,64  
 Vision 8  
 Vision Australia 56  
 Wage and salary movements 63  
 Waste and recycling 7,24,25,63  
 Website 7,9,23,56,57,59,62  
 Women's Action Plan 63  
 Workers compensation 3,7,33,42,45,60,61  
 Workplace giving 32,33  
 World heritage listing 1,2,5,7,9,24,25,27,60,62,67  
 Young audiences 11,20,21,62,64,65,66,67

Note: audited financial statements appear on pages 40 to 52. Financial information elsewhere in this report is unaudited.

## Definitions:

### Performances

All performances open to the public (ticketed and non-ticketed), film screenings, previews, large scale rehearsals with audiences. Excludes performances by SOH touring productions.

### Events

All performances as outlined in definition above and also includes functions, ceremonies, conferences, exhibitions, film shoots, lectures, presentations, small scale rehearsals with audiences, sporting events, secondary performances, speech days, workshops, launches and media calls. Excludes performances by SOH touring productions.

# SPONSORS

<p>BUSINESS PARTNER</p> 	<p>PRINCIPAL SPONSOR</p> 
<p>TOURING PARTNER</p> 	<p>MAJOR SPONSOR</p> 
<p>MAJOR SPONSOR</p> 	<p>PREFERRED HOTEL</p> 
<p>MEDIA PARTNERS</p>       	
<p>CORPORATE PARTNERS</p>          	
<p>STUDIO PARTNERS</p>    	
<p>FOOD &amp; BEVERAGE PARTNERS</p>        	

# ANNUAL GIVING PROGRAM

The following are Founding Donors to the Annual Giving Program. Raising support for Sydney Opera House's performance, access and education initiatives, the Annual Giving Program sincerely appreciates the support of its donors since the Program's launch in March 2007.

## LEADERSHIP CIRCLE (\$10,000+)

Mr Robert Albert AO & Mrs Libby Albert  
The Balnaves Foundation  
Mr John Ballard & Mrs Glenn Bates  
Sanchia & Guillaume Brahimi  
Jillian Broadbent AO  
Mr Paul Cave  
Dr Peter C Farrell AM  
Nick Greiner AC & Kathryn Greiner AO  
John Kaldor AM & Naomi Milgrom  
Andrew Kaldor & Renata Kaldor AO  
Ladies Committee of the Sydney Opera House Appeal Fund  
Colleen & Robert Lecce  
Andrew & Paula Liveris  
John Marshall – Marshall Investments  
Mr John B Reid AO & Mrs Lynn Rainbow Reid  
Maurice & Heilan Renshaw  
Sidewalk  
Mr Tim & Mrs Sally Sims  
Mr Joseph Skrzynski AM  
Trust Company Ltd  
Clara Varga Foundation  
Kim Williams AM

## TRIBUTE (\$5,000 - \$9,999)

The Martin Family in memory of Lloyd Martin AM

## HONOUR (\$1,000 - \$4,999)

Paul Akhurst & Carole Jackson  
Anonymous (2)  
Colleen & David Antaw  
Bennelong Club  
Beverley & Phil Birnbaum  
Emily Chang  
Naomi Grabel & Neil Kutner  
Dr Michael & Mrs Penny Hunter  
Lindsay & Belinda Kelly  
The Lowry Family  
Peggy Mak  
Pamela McGaw  
Julia & Fred Pucci  
Mrs Patricia Reid  
Maria Sykes  
H K Tey P/L  
Ms Barbara Ward  
Evan Williams AM

## ACCLAIM (\$500 - \$999)

Annette Adair  
Anonymous (1)  
SJ Bell  
Mr Neil Burns  
Mrs Gillian Doyle  
Alfred & Georgina Furch  
Nicole Hall & Seán McPeake  
Danielle Heidbrink  
David Jonas & Desman DuPlessis  
Rebecca Matthews  
Christel & Marc Meuwissen  
Ms Joan Millard  
Betty J Raghavan  
Susan Scobie  
Melissa Smith  
Judge Philip A Twigg QC  
Ronald Walledge

## OVATION (\$250 - \$499)

Anonymous (2)  
Beyond Economics Pty Ltd  
Mrs Minnie K Biggs  
Mrs Geraldine E Bull  
Anne Cummins  
Christine Denny  
Mrs Elizabeth Donati  
Prof Jennifer Edwards  
Suellen Enestrom  
Ryissa Fogarty  
Barbara Foord  
Barbara & John Geismar  
Ms Sally Glover  
Danielle Hoareau  
Susie & Geoff Israel  
A A Lohan  
Elisha London  
Mr & Mrs A B Maple-Brown  
Mrs Roslyn McDonald  
Karen Michael  
Mrs Rose Morgante  
Steve Payne  
Monty Silver  
Mr Charles Solomon  
Richard Spencer & Emily Booker  
Allie Townsend  
Catherine Wale  
James Wick & Trees Dhuyvetter  
Christopher Wynton & David De Franceschi  
Dr Anna Ziegler

## DEBUT (\$50 - \$249)

An investment in Matthew's future  
Anonymous (14)  
Stella Arbib  
Moonyeen Atkinson  
Mr Barry Badham  
Jan Bakker  
Mr & Mrs Gerard & Anita Bakkers  
Sue Balderrama  
Colin Barbour  
Stephen Barratt  
Colin Baskerville  
Dr Victor Bear & Mrs Adele Bear  
Paul J Bedrock  
J & L Benaud  
P & L Bendrey  
Florence Best  
Mrs Audrey Bevan  
Mr Kevin Binder  
Mrs Barbara A Bird  
Mrs J Bishop  
Julie Bonello  
Mrs Margaret R Borgenicht  
Ms Janet Broady  
Mrs M Burbage  
Joanna Chin & Family  
R Lindley & P Chmielnik  
Daniel T Cohen  
Mr & Mrs V.H. Cohen  
P M Conder  
S.C. Cooper  
Mrs Kim Crawford  
Linda Curnow  
Helen Dangar  
Maadi Einfeld  
B & L Elvy  
Mrs Elizabeth Erkelens  
Smylie Family  
Ms Joan Fawcett  
R. Fentie  
Olwyn Fleming

Eric Gale  
Margaret Gibbons  
Ms Brenda Goldschmidt  
On behalf of H.G. Goldstein  
Etlá Goot  
Ms Theresa Green  
Pauline Griffin AM  
Roy Haberley  
Robyn M Haines  
Mrs Kari Hamele  
Louise Hamshere  
Dr John Hanscomb  
Donald Harris  
Margaret Hawke  
Diana Heath  
Dr Peter Hendry  
Gwen Higgins  
Elizabeth Hopson  
Rebekah Hunter  
Susan Ingram  
Ms Kathleen Jones  
Margaret Keogh  
Mrs Jennifer King  
Mr Theo Kotrotsios  
Ms Pauline Lakefield  
Alexis Lander  
Rita Langley from BGOTF  
Mrs Jennifer R Lean-Fore  
Patricia Leckie  
Ms Portia Leung  
Judith LeVine  
Dianne & Dorothy Lewis  
Kieran Lewis  
G & J Liffen  
Mrs Robin Mathews  
Robert Max  
Phyllis McGee  
Matthew McGuinness  
Thomas K McKay  
Ms Julie McKibbin  
Mrs Barbara McNulty OBE  
Dr Graeme Mendelsohn  
Ms Jeanne LS Merriman

Gordon Mogg  
Beryl Molloy  
Mrs Rae Morris  
Mr Kristen John Myers  
Dr George Nagy  
Gary Nash  
Ms Giovanna Ng  
Ms Robyn Noble  
Ms Carol Oliver  
Mary Pace  
Alice Jean Palmer  
S Pearce  
Ms Helen Petersen  
Mr Evan Petrelis  
Ms Norma Plummer  
Rosalie Pratt AM  
Dr Alex Radchik  
Dr Christine Riordan  
Mrs Sandra Robberds  
Bertram Rosenberg  
Mr Gordon Rowe  
Mrs R. Rutherford  
Elizabeth Sakker  
Peter Schettino  
Project Sevin  
Ms Lynette Shakespeare  
Allan Shaw  
Shirley & Robert Silverton  
Deborah Singerman  
May & Peter Spencer  
Catherine Stanton  
Ms Ju Ju Sundin  
Ms Rosemary Swift  
Jiawen Tan  
Mrs Gillian Thompson  
Mr R & Mrs C Thornton  
Derek To  
Mrs Annalize Troost  
Deborah Tseng  
Hsiu-Mei Tseng  
Anne Udy  
Mr & Mrs S.C. Underhill  
Mrs Anne Utteridge

Brian Vern-Barnett  
Lois Walker  
Masako Walker  
Raymond Waterhouse  
Terence Watson  
Susan E Way  
Ms Margaret Whiting  
George M Wilkins  
Sheena Williams  
Roslyn Wincester  
S Wong  
Samantha Wong  
Ms Val Wood  
Frances Young  
Zajaczkowski Family

## PREVIEW (\$2 - \$49)

Anonymous (2)  
Mr Paul J Barrett  
Mr J B Bennett  
Mr & Mrs R Biddell  
E P Bolger  
Ms G.L. Borger  
Mrs Wendy Croft  
Nancy Dickman  
Dr & Mrs Frank Doughty  
Lynne Dunn  
Marilyn Escosa  
Mr Ken Evans  
Andrew Fisher  
Fiona Floyd  
Mr Jia Ge  
Ms Carol Glumac  
Ms Monique Gooch  
Mr Edwin Grant  
Rebecca Hale  
I Halford  
Mr Vladimir Hripac  
Peter Jenkin  
Teresa Lee  
Lilibeth Legaspi  
Robert Longstaff  
Lisa Mach

Mr Damien Marquez  
Mrs Ilana McCorquodale  
Mrs Marilyn McMullen  
Laura Michael  
Tony Mitevski  
Ms Patricia D Moore  
W Nicholls  
Mr Gavin Nuss  
Mr & Mrs Payne  
Catherine Philps  
Mrs Sybil Pliner  
Dr Marilyn Rob  
Suzie Rosenberg  
Mrs Elizabeth A Russell  
Mr Raymond Santhaseelan  
Ralph Schubert  
Mrs Jean Scott  
Mr Michael Sperber  
Mr Aaditya Thakur  
E.M Thomas  
Dr M. D. Tindale  
Julia & Christine Torresan  
Heather Tucker  
Ms P Weise  
Dr George & Marta Weyland

# CONTACT INFORMATION

## Hours of Operation

Sydney Opera House is open daily except for Christmas Day and Good Friday.

## Box Office

Open from 9am to 8.30pm Monday to Saturday and Sunday 2 hours prior to performances.

Telephone: 61 2 9250 7777

TTY: 61 2 9250 7347

Facsimile: 61 2 9251 3943

Email: [bookings@sydneyoperahouse.com](mailto:bookings@sydneyoperahouse.com)

Mail: Box Office, Sydney Opera House,  
PO Box R239, Royal Exchange Sydney, NSW 1225 Australia

Bookings for performances and events can also be made online at [sydneyoperahouse.com](http://sydneyoperahouse.com).

## Guided Tours

Our one hour 'Tour of the House' operates between 9am and 5pm daily (except Christmas Day and Good Friday). Tours depart from SOH Shop on the Lower Concourse.

Telephone: 61 2 9250 7250

TTY: 61 2 9250 7347

Facsimile: 61 2 9250 7679

Web: [sydneyoperahouse.com](http://sydneyoperahouse.com)

E-mail: [tourism@sydneyoperahouse.com](mailto:tourism@sydneyoperahouse.com)

## Car Parking

The closest car park to Sydney Opera House is operated by Wilson Parking. It is open from 6.30am to 1am, seven days a week. Entry to the car park is via Sydney Opera House end of Macquarie Street, Sydney.

Telephone: 61 2 9247 7599

Facsimile: 61 2 9247 4576

## Administration

Administration hours are from 9am to 5pm weekdays.

Telephone: 61 2 9250 7111

TTY: 61 2 9250 7347

Facsimile: 61 2 9250 7666

Email: [infodesk@sydneyoperahouse.com](mailto:infodesk@sydneyoperahouse.com)

Address: Sydney Opera House, Bennelong Point,  
Sydney NSW Australia 2000

Postal Address: Sydney Opera House, GPO Box 4274,  
Sydney NSW Australia 2001

Web address: [sydneyoperahouse.com](http://sydneyoperahouse.com) or [soh.nsw.gov.au](http://soh.nsw.gov.au)

## Annual Report Project Team

Carolyn Stewart-Smith-Project Manager, Shelley Stephens, Barbara Learmonth, Rachel Hawke, Jane Johnson, Sandra Grubisic (Sydney Opera House).

Can Elmaskaya (Calligram)-Design, Layout and Production Management.

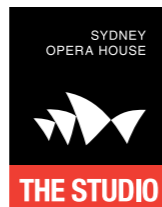
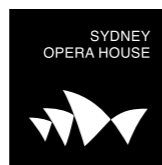
Lyn Gamwell (Fineline), Deniz Nalbantoglu (Webling)

## Photography

Jeff Busby, Adam Craven, Branco Gaica, Anthony Geernaert, Ponch Hawkes, Jim McFarlane, Jim Rolon, Keith Saunders  
Photo page 2 Jørn Utzon. Photo Jozef Vissel courtesy Josef Lebovic Gallery.  
Image: Powerhouse Museum

## Trade Marks

Sydney Opera House Trust is the owner of the following registered trade marks.



**Sydney Opera House**  
**The Studio**  
**Kids at the House**  
**House Ed**  
**Message Sticks**

